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LAC TRADE I

Project to Develop Free Trade and Reduce Business Constraints in the LAC Region

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FINAL REPORT

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I. EXECUTIVE SUMMARY

A. Introduction

The Project to Develop Free Trade and Reduce Business Constraints in the LAC Region (“LAC Trade Project”) was awarded to CARANA Corporation in September of 2002. Originally a two year project, it became effective on October 1 of that year and had an initial contract value of \$2,499,984. It was later amended to extend the contract period for another year (through September 2005 and increase the contract value to \$4,998,984. In August of 2005, a final amendment was signed between USAID and CARANA granting a no-cost extension through December 31, 2005.

CARANA is pleased to submit this *Final Report* to USAID covering all activities since project inception in 2002. This report is designed to provide the reader with a quick overview of the activities performed under this contract, key results achieved and invaluable lessons learned during implementation. This report is also designed to be a useful tool by providing more detailed overviews for each intervention, relevant scopes of work and other documentation, as well as final deliverables to help USAID save time and effort in future trade capacity building programming.

Organization of the Report

This report is divided into three sections:

- 1) *Executive Summary.* This first section includes an overview of the project, a section highlighting activities by region, key results achieved and lesson’s learned, and a self-evaluation of CARANA’s effectiveness in implementing this important project.
- 2) *Overview of Activities by Region.* In the second section of this report we have presented a brief overview of every discrete project activity undertaken under this contract organized by region and then by country. These one to two paragraph overviews are designed to give the reader a quick understanding of each activity.
- 3) *Detailed Project Profiles.* The third section of this report contains a one to four page project profile that describes the activity in greater detail. When viewing the document electronically, a reader wishing greater detail on a project activity after reading the project overview can click on the link at the bottom of every overview to view the project profile. The “related documents” section of the report provides a list of additional documents (i.e. scopes of works, reports, presentations) which the reader may wish to reference if seeking additional information on the particular interventions.

Project Overview

The LAC Trade Project was designed to provide “demand-driven” and “rapid response” technical assistance to Latin American and Caribbean countries under the three categories of assistance identified in the TCB Working Groups of the regional and bilateral FTA negotiations:

- 1) Trade Negotiation Preparation and Participation;
- 2) Trade Agreement Implementation; and
- 3) Transition to Free Trade

Under the project, technical assistance was provided at both the regional and bilateral levels. The project focused primarily on short-term interventions in each of these three areas, with priority given to projects that could have a demonstrative or catalytic effect in each country or region. These projects varied in length and complexity, from as little as four weeks to interventions lasting up to six months. The major exception to this was the overall activity carried out in Nicaragua, which lasted approximately two years (from mid 2003 through mid 2005), and which was funded through a “buy-in” of \$1,300,000. Using these funds CARANA provided support to USAID Nicaragua and to the government of Nicaragua in approximately fifteen different areas as described in the body of this report, in addition to supporting USAID on a wide variety of tasks in support of mission objectives.

Initially, activities focused on assisting Central American countries in “trade negotiation preparation and participation” (i.e., assistance in the preparation of National Action Plans for Trade Capacity Building, logistical support in hosting or attending trade talks, and civil society outreach). As other countries began negotiating free trade agreements with the United States, assistance was also provided to selected countries in South America, Panama and the Caribbean. The bulk of the work carried out during this phase (trade negotiation preparation and participation) was on assisting governments in the development of civil society outreach strategies related to the free trade negotiations, and on the actual implementation of these strategies. This work was critically acclaimed and contributed to the implementation of civil society outreach efforts throughout the LAC region at an unprecedented level.

Only more recently has the project focused on the areas of “trade agreement implementation” and in supporting countries in the “transition to free trade”. Work in trade agreement implementation includes assistance to the governments of Honduras and El Salvador in the environmental area, and the support provided to the government of Nicaragua in the development of a textile quota system. Examples of work carried out in support of countries in transition includes assistance provided in Colombia under the Private Sector Certification Project, and assistance provided in Nicaragua through pilot projects carried out in tourism and wood furniture.

During the three year, three month period covered under this contract, CARANA worked on over 42 separate activities (detailed in this report), providing over 4,163 days of technical assistance from over 80 of the most renowned experts across the many diverse fields of trade capacity building. CARANA’s work mirrored the U.S. trade agenda in the hemisphere, including the FTAA negotiations, DR-CAFTA, the Andean FTA, the Panama FTA, support for the Caribbean Single Market Economy (CSME) and support to countries in Mercosur. Over the life of the LAC Trade Project, CARANA has managed substantial activities in 14 countries, in addition to 12 countries supported throughout the English-speaking Caribbean. Additional support was also provided to USAID Washington in a variety of areas.

B. Highlights of Activity by Region

The LAC Trade Project was a critical resource for USAID/LAC/Washington and for many of the bilateral missions and regional missions involved in trade-related technical assistance over the last three years. The project was often called upon to respond to urgent needs arising from the trade negotiations, and to provide pivotal technical assistance in a variety of areas, including civil society outreach programming and implementation, implementation of the “rules of trade” provisions of free trade agreements (environment, customs, etc.), reduction of business constraints, and transition to free trade initiatives.

Specifically, the LAC Trade Project performed work in the following areas categorized according to the most important trading blocks in the hemisphere:

DR-CAFTA	Andean FTA	MERCOSUR	CARICOM	Other
Costa Rica Dominican Republic El Salvador Guatemala Honduras Nicaragua	Bolivia Colombia Ecuador	Brazil Paraguay	Eastern Caribbean (13) Suriname	USAID/LAC Haiti Panama

This section provides a narrative of each of these major trading areas and the technical assistance activities conducted under the LAC Trade Project. For more specific details on any particular project undertaken, please refer to the project profiles in the Appendix.

1. DR-CAFTA Countries

The LAC Trade I contract was signed three months before the opening round of the Central American Free Trade Agreement (CAFTA) negotiations. Consequently, the first activities carried out under LAC Trade were in the five Central American countries negotiating with the United States – principally Central America (the Dominican Republic did not join the talks until later in the 2003 at which point CAFTA became known as DR-CAFTA). These first activities all revolved around the common theme of “trade negotiation preparation and participation.”

The first request for assistance under this contract was from the Government of Honduras in drafting its National Action Plan for Trade Capacity Building in November of 2002. This was the first test of the contract’s “rapid response” capability, given that CARANA had less than two weeks to identify and field a team to assist in the development of this National Action Plan, and only two weeks in which to research and draft the plan, which was completed successfully and on time.

The Honduras National Action Plan was followed by a request from USAID Washington in December of 2002 to begin thinking on how to develop and implement a Civil Society Outreach effort to support the civil society outreach initiatives being implemented by the governments of the five Central American countries. An initial visit to Central American countries in February of 2003 was used to test the relevance of the program that had been initially designed in Washington. This led to major changes in the program’s design and in the type of support that was provided throughout the region. While the initial design of the Civil Society Outreach Program (CSOP) was the same for all Central American countries, the large differences among the Central American countries themselves led us to design and implement individual CSOPs that differed greatly from country to country.

Support in the development and implementation of Civil Society Outreach Programs (CSOPs) in support of free trade negotiations was to become the major activity under this project. First implemented in Central America, under this project, CARANA went on to support CSOPs in the Dominican Republic, Brazil, Bolivia, the Eastern Caribbean, Panama, Colombia, Paraguay and Ecuador. All of these programs were implemented in different ways, adapting to local conditions, financial constraints and the requirements and strategies of the governments that we were assisting. Although difficult at times, the process of working with so many different countries over a three-year period was a learning experience for CARANA as well as USAID. These experiences allowed CARANA staff to develop a list of essential conditions or “lessons learned” which we were able to put to use in CSOPs supported by LAC Trade in 2004 and 2005,

particularly in Colombia and Ecuador, and which tended to improve the effectiveness of these CSOPs¹.

As the negotiations progressed through 2003, CARANA staff also began providing assistance in “trade agreement implementation” and in supporting countries in the “transition to free trade”. Initially, this was carried out in Nicaragua, given that USAID Nicaragua was allowed to “buy in” to the LAC Trade contract with its own funds in the amount of \$1,300,000. Support in Nicaragua focused primarily on assisting the government in different areas related to the negotiation and implementation of the free trade agreement and included activities such as:

- Strengthening the country’s CSOP;
- Assistance to the government in hosting the negotiating rounds held in Managua in September of 2003;
- Assistance to the government in strengthening its planning capability related to the implementation of the free trade agreement; and,
- Assistance to the government in the design of a textile quota system to manage the benefits Nicaragua negotiated under DR-CAFTA.

Assistance in Nicaragua was also provided to or through the private sector. These activities included:

- Support to the Chamber of Commerce in developing and passing an arbitration law for Nicaragua;
- A pilot program in the wood furniture area to expand market links and exports; and,
- A pilot program in the eco-tourism area to strengthen the sector and expand sales.

All of these initiatives were implemented with varying degrees of success. However, as discussed in the section on lessons learned, activities carried out with or through the private sector did tend to produce tangible and positive results. Initiatives carried out with or through the government produced results that were more difficult to measure.

Assistance in “trade agreement implementation” was also provided in El Salvador and Honduras during 2004 and 2005. Beginning in mid 2004, the LAC Trade Project began providing assistance to the Ministry of the Environment and Natural Resources in El Salvador in strengthening its civil society outreach activities. This project was ultimately successful, although the implementation of the project dragged on for almost twelve months when it was originally designed to last only four months. Delays in the implementation of the project were due to delays by the Ministry in meeting certain contractual requirements. The delays faced in El Salvador led the LAC Trade team to better research the counterparts’ commitment before recommending moving forward on any activity under the project. The ultimate success of the project in El Salvador did lead to the implementation of a similar activity in Honduras.

2. Andean FTA Countries

Support to Andean FTA Countries under the LAC Trade contract began with an initial visit to Bolivia in August of 2003 (prior to the start of negotiations) to review the country’s CSOP and offer support to the Government of Bolivia in strengthening its CSOP program. This initial visit resulted in the LAC Trade contract funding the visit of an international speaker who participated in various events in La Paz, Cochabamba and Santa Cruz, and who spoke on FTAA issues. This

¹ These “lessons learned” are presented in section C of this Executive Summary: “Lessons Learned.”

initial program was very successful and served as a demonstration that civil society in general was interested in learning from the experiences of other countries. Unfortunately, within a few weeks of the completion of this program, political turmoil in the country led to the President of Bolivia stepping down and a suspension of any further LAC Trade activity in Bolivia.

Follow-up assistance in the region did not occur until May of 2004, when USAID/Colombia requested assistance from the LAC Trade Project in the development of a civil society outreach strategy for the Government of Colombia. Working with officials from the Ministry of Trade and Commerce, CARANA consultants were able to develop and present a strategy within thirty days, a strategy which was adopted by the country and implemented over the next year. The development of the civil society outreach strategy for Colombia incorporated the experiences and lessons learned from the work carried out under LAC Trade in Central America and elsewhere, particularly in the key recommendation that the government needed to name a high ranking government official whose primary responsibility was to manage the implementation of the civil society outreach effort in the country.

After preparing the civil society outreach strategy for Colombia, the LAC Trade Project then provided limited assistance in the implementation of the strategy for the remainder of 2004 and early 2005. This activity focused on coordinating several high-level visits to Mexico for different interest groups in Colombia, including members of the legislature, press, and small business development groups.

In June of 2004, the LAC Trade Project also received a request for assistance from USAID/Quito and the Ministry of Industry, Trade and Fishing (MICIP) to assist in the design of a civil society outreach strategy for Ecuador. The LAC Trade Project responded quickly and was able to develop a strategy within thirty days. This strategy, heavily debated by the Ecuadorians, was finally accepted and adopted in October of that year. As was the case in Colombia, this civil society outreach strategy in support of the FTA negotiations incorporated many of the lessons learned earlier by the project.

In October of 2004, the LAC Trade Project received a request from USAID/Quito to provide assistance in the implementation of the CSOP for Ecuador, which was approved by the project CTO after verifying that the conditions established in the strategy document had been met. From October 2004 to February 2005, CARANA worked closely with USAID/Quito and Proyecto SALTO to lead the design and implementation of a CSOP that included outreach events, an international speaker series, the creation and maintenance of the FTA website, the publication of relevant FTA material, support for the government's public education campaign, monitoring and application of public opinion surveys and an education program tailored to the Ecuadorian Congress. This CSOP was the most comprehensive program supported through the LAC Trade Project, and also generated the most impressive results. Over a six-month period, the LAC Trade Project assisted in carrying out 216 workshops in the 21 provinces in Ecuador with the direct participation of 14,534 Ecuadorians, surpassing original project objectives by approximately 500%.

In September of 2005, the LAC Trade Project also began working on a project in Colombia to provide technical assistance and training to thirty small and medium scale enterprises (SMEs) in Colombia in achieving certifications in HACCP (Hazard Analysis and Critical Control Point – an internationally recognized system for food safety certification) and CMMI (Capability Maturity Model Integration – computer software development certification).

This latter activity marks the only time that the LAC Trade Project was asked to provide assistance outside of the civil society outreach arena in the Andean FTA region, and responds to a specific TCB request made by the Government of Colombia. This is also a difficult project to implement given that different components of the project are implemented by different organizations; however, the first phase of the project has been completed successfully (review of the project design, consultant selection and training). The implementation phase of this project will be implemented under the LAC Trade III contract (January to September 2006).

3. MERCOSUR Countries

Project activities in MERCOSUR countries were carried out first in Brazil (2003 – 2004) and later in Paraguay (2004 – 2005), all related to civil society outreach in support of the free trade agenda.

LAC Trade activities in Brazil initially focused on stimulating a debate on FTAA and free trade through a series of conferences held in secondary cities in Brazil. In total, ten one-day events were held in seven cities over a twelve-month period beginning in May of 2003. These proved to be highly successful, well-attended events that were carried out exclusively with the support of local private sector associations and federations. During the same timeframe, the LAC Trade Project also conducted a series of fact-finding missions to Washington and Mexico with members of the Brazilian congress, the Ministry of Agriculture, and media representatives.

In a country the size of Brazil, the LAC Trade outreach activities discussed above represent a miniscule effort to stimulate a greater discussion on FTAA and the free trade agenda in that country. Through these activities, however, the LAC Trade team was able to discern a clear interest on behalf of the participants to openly discuss the subject and hear opposing views. Several thousand Brazilians were able to attend the conferences in Brazil, and a wider audience was reached as a result of the media coverage of these events, as well as the media coverage generated as a result of the fact-finding missions to the United States and Mexico.

The first phase of the Paraguay CSOP began in May of 2004, and focused on supporting a CSOP developed and managed by the Ministry of Foreign Relations. With the support of the LAC Trade Project, the Ministry was able to exceed its initial expectations of holding 30 seminars and 14 larger events throughout the country, tripling its outreach achievements with 91 seminars and holding an additional 16 large events across Paraguay. Over 5,000 stakeholders in the interior of the country were reached through these 2-3 hour seminars that covered the status of the FTAA negotiations and the general opportunities and challenges of FTAs. Overall, this was an unprecedented effort at public outreach in Paraguay.

However, CARANA also experienced considerable difficulties in managing this program in Paraguay. The Ministry resisted many suggestions to improve the presentations and facilitate a better dialogue. When CARANA offered to produce or pay for printing of ‘popular’ written materials to be used as handouts, Ministry staff began insisting on “additional compensation” for their time in preparing these presentations and documents. Finally, CARANA learned that Ministry employees were attempting to “double-count” their travel and per diem and asking the UNDP for reimbursement for the same travel days. As soon as CARANA learned of this, we notified the UNDP who subsequently cancelled their technical assistance program with the Ministry.

As a result of the problems encountered with the initial CSOP in Paraguay, in May of 2005, CARANA launched a second program with the private sector. The focus of this program was to

stimulate private sector dialogue on important issues related to international trade, with particular consideration given to associations who are in position to sustain the dialogue beyond the initial technical assistance. Under this program, CARANA provided a comprehensive speaker-program from June to December 2005, bringing in six international experts in a variety of fields to stimulate civil society discussion on key issues in international trade. Each of the four conferences carried out under this program reached an estimated 300 key stakeholders in Asunción, stimulating a series of important civil society discussions on the role of free trade and opportunities for Paraguay. The last two events were a resounding success, leading to the creation of a forum on trade and logistics that will be supported under the LAC Trade III project beginning in 2006.

4. CARICOM Countries

Over a period of 16 months – from January 2004 to April 2005, the LAC Trade Project supported a civil society outreach program (CSOP) throughout the CARICOM region that sponsored 22 outreach events in 10 of the 14 CARICOM countries. The objective of the program was to contribute to raising public awareness of trade issues and agreements (specifically the FTAA and CSME) among various constituencies including the general public, non-governmental organizations (NGOs), policymakers, and non-state actors such as the business community, labor unions and the media.

This CSOP was perhaps the most complex program supported under LAC Trade given the multitude of counterparts (several per country) and the geographic challenges presented by the area being covered. However, this program was also one of the most successful carried out under LAC Trade given that it was managed on a full-time basis by a CARANA employee based in Barbados – Bronwen Alsop who had worked on the LAC Trade Project from the beginning.

The 22 events and outreach activities, all directly contributed to the mandate of the program: to raise public awareness of free trade in the Caribbean. Public/outdoor events, such as those that took place in Grenada, Barbados, and Antigua, reached approximately 3,000 members of the general public. Workshops for trade unions, of which there were three (Barbados, Suriname, and Guyana), reached at least 75 of the Region's most powerful and influential trade union leaders. As leaders from 13 CARICOM countries (except Haiti) participated, it can be estimated that in some way every member of every major union in the Caribbean benefited from the program. The radio broadcast in Antigua and Barbuda on trade in services and the FTAA is estimated to have reached at least 10,000 households in the country. The video broadcast in the Bahamas is estimated to have reached a population of 50,000. The two workshops for members of the Caribbean media (Antigua 2004 and Barbados 2005) had a noticeable impact on the quality and quantity of reporting on trade issues in general. All of the major newspapers in the region were represented at both events, with a combined readership of approximately 3 million persons per day.

The second activity that was carried out in the CARICOM region provided assistance to the Government of Suriname with the development of its National Action Plan for Trade Capacity Building. Within two weeks of the initial request, CARANA assembled a qualified team of expert consultants and an appropriate workplan for this technical assistance. From April to September 2003, the CARANA team worked closely with the Ministry of Trade and Industry (MTI) and the leading stakeholders (government, NGO and private sector representatives) in Suriname to develop the National Trade Capacity Building Strategy (TCBS) for the Government of Suriname. This document served to identify, articulate and prioritize Suriname's needs in

preparation for FTAA negotiations and implementation, as well as other donor-related technical assistance discussions.

The Strategy includes the identification of requirements for the negotiation process, for the implementation stage, and finally for the transition to free trade. This Strategy was created in accordance with the guidelines developed by the FTAA Secretariat and the Consultative Group on Smaller Economies (CSME) in January 2003, for the purpose of providing relevant information to the Tripartite Committee and, possibly, other prospective donors. CARANA successfully led the USAID/CARANA/Government of Suriname working group in its rapid completion of this comprehensive National Trade Capacity Building Strategy that covered the following major components:

- A description of the responsibilities of the institutions and agencies that participate in trade policy decisions and implement free trade agreements;
- An evaluation of trade personnel experience, institutional capacities, regulations and disciplines, information technology, education, civil society and private sector participation and public awareness, transparency of laws and regulations, and the existing sources of technical assistance in the trade area; and
- An evaluation of the key issues included in preparing for and participating in the FTAA negotiations (16 areas were covered in this last section of the report).

5. Other Initiatives

5.1. USAID LAC Initiatives

Four major Washington based activities were carried out under LAC Trade during the three years, in addition to other requests for assistance that were responded to immediately. These four major activities are discussed below.

The first major activity resulted from a request to compile an inventory of all of the CAFTA civil society outreach activities carried out by the five Central American countries during 2003. This inventory was completed in March of 2004 and revealed some surprising results: over 1350 seminars and forums were held throughout the region with over 10,000 direct participants. Strong media coverage of these and other events provided an extraordinary multiplier effect and provided continuous coverage of CAFTA-related topics and issues on a daily basis in each country. This was an unprecedented effort on behalf of the Central American countries and was instrumental in generating the high levels of support for DR-CAFTA throughout the region.

Perhaps even more important was the fact that the inventory revealed that Central American countries had demonstrated a willingness to try innovative new approaches in implementing their respective CSOP programs. For example, in April 2003 the Government of El Salvador carried out the first-ever public forum held on trade issues in Central America. This public forum was considered a critical success and will form a part of the Government's civil society outreach initiatives for future negotiations as well.

The second USAID/LAC-based activity came about as a result of meetings which were held in Central America in January of 2004 and which were attended by USAID staff. During this meeting it was determined that limited regional financial integration, including the inability to easily carry out cross-border financial transactions, was a key constraint to business development in the region. Removing constraints in this area has the potential for significant job creation and economic growth in the region, and as a result, the Office of the AA/LAC, the Mission Directors from Honduras and Nicaragua, and G-CAP all took an active interest in further understanding this

issue. USAID/LAC specifically asked CARANA to develop a rapid evaluation of the real and perceived constraints to cross-border financing in Central America to further inform the dialogue between USAID and the Central American Bank for Economic Integration (CABEI) and identify a series of programs that may help to reduce potential business constraints.

CARANA was able to quickly address the original questions raised by USAID and CABEI in their exploratory meetings on the subject. Through 38 interviews with key stakeholders and financial actors in Central America and Panama, a CARANA consultant in the region uncovered the current practices associated with cross-border financing and potential impediments to investment. CARANA delivered a final study that provided a comparative analysis of each country's laws and regulations concerning cross-border financing and responded to the questions being asked by USAID and CABEI.

The third Washington based initiative came as a result of a request made by USAID/LAC in February 2004, in which CARANA was asked to review and support a proposal by Caribbean Central American Action (C/CAA) to provide technical assistance on port security to the port authorities of the Organization of Eastern Caribbean States (OECS). Under this project, CARANA was asked to provide and manage matching funds with C/CAA to contract a specialized firm to perform security assessments of the OECS Ports. The request came about as a result of the passage of the Maritime Transportation Security Act of 2002 (MTSA) that defined standards for security of maritime facilities and ships, and mandating certification of compliance by July 1, 2004. The law provided that the failure of ports, vessels, and companies engaged in international maritime commerce to achieve the specified compliance standards would result in sanctions that includes fines, delays of vessel entry into ports of call, or even denial of vessel entry into ports of call.

After negotiating the administrative and contractual details with C/CAA and SeaSecure, the firm chosen to do the study, the study was initiated in May and completed by July 2004, ahead of the scheduled implementation date of the law. Audits were conducted in 14 ports in nine countries and the audits were submitted to the relevant authorities in each country.

The fourth initiative was in response to a request made in January 2005 by USAID/LAC to conduct a rapid evaluation of the issues and/or difficulties that the Central American countries will face in the implementation of the labor chapter of DR-CAFTA. As the Ministers and Vice-Ministers of Labor of the DR-CAFTA countries were preparing a white paper to further articulate their anticipated technical assistance needs in implementing the treaty, USAID/LAC requested this assistance to begin thinking on the types of projects that USAID could carry out to support the implementation of the labor chapter in Central America. This report, which was prepared in a relatively brief period of time, included both an assessment of the specific labor provisions of DR-CAFTA, and a series of recommended support opportunities that could be considered by USAID as potential technical assistance areas in response to stated Central American needs in implementing these labor provisions.

5.2. Panama

At the request of the Vice-Ministry of Foreign Trade (VICOMEX) and USAID/Panama, CARANA launched a CSOP in May 2004. The program was designed to work through VICOMEX in developing a strategy for a CSOP to facilitate dialogue, consultation, input and participation of civil society groups in Panama within the context of the trade agreement negotiations with the United States.

Over the next eight months, CARANA conducted a series of ten very successful, high profile events on the FTA and free trade-related issues in Panama City, Chitré, and David. These conferences reached a direct audience of over 2000 key opinion-makers from Panama's public and private sector, business sector leaders and active members of each of the primary business associations. Through live radio broadcasts, television interviews, and extensive press coverage for each of these events, the messages and dialogue reached hundreds of thousands of interested listeners in each of these cities.

While the program was successful, it was also implemented with a great degree of difficulty. A change in government halfway through the program complicated matters, but it was the level of micromanagement on the part of VICOMEX, and the fact that all decisions relating to this program were made by the Vice Minister or Minister that hindered our ability to carry out as many activities as would otherwise have been possible. VICOMEX was involved in the selection of all topics that were covered (and the rejection of several as well), all speakers (many times rejecting proven speakers under our program and insisting on their own speakers), as well as the dates of the events and the locations. The CSOP was also cut short given that VICOMEX requested, and USAID Panama approved, that CARANA provide assistance in re-drafting its National Action Plan for Trade Capacity Building. In order to fund the work on this new project, remaining activities under the CSOP program were cancelled.

The request to provide support to VICOMEX in the development of a new National Action Plan for Trade Capacity Building came in September of 2004. CARANA hired three local economists to work on this plan and an initial draft was submitted in November of 2004. Unfortunately, VICOMEX rejected this first draft, and CARANA consultants made several revisions and submissions of the document until it was finally accepted in February of 2005.

Problems with VICOMEX in the preparation of the TCB Strategy stemmed from extremely limited government support throughout the creation of the document. This stands in sharp contrast to CARANA experience in Suriname and Honduras when creating the same TCB Strategy document. In Panama, although VICOMEX had requested the assistance, they ultimately did not provide guidance, were not involved in writing the project, and provided very little support in terms of coordinating the effort with other government ministries. Further complicating the process was the fact that when the Ministry rejected the first draft, they could not be specific with regards to what they didn't like, or how to change it. Our local project manager in Panama was able to work through these problems and, eventually, VICOMEX was happy with what was submitted. The process took twice as long to complete as had been originally anticipated based on our experiences in other countries, and depleted resources originally earmarked for the CSOP. The problems encountered in Panama, are discussed in greater detail in the Section C of this Executive Summary – Lessons Learned.

5.3. Haiti

A study was carried out in response to the introduction of legislation in the United States (Haitian Economic Recovery and Opportunity Act – HERO) to expand certain preferential trade treatment for Haiti. The legislation was designed to grant special preferences to the Haitian textile sector.

The study itself was carried out between February and May of 2003, and while it was an activity that was very different from anything that was carried out under LAC Trade, it was illustrative of the rapid response nature of the project, and of the ability to field technical expertise in a broad range of technical areas.

C. Lessons Learned / Performance Analysis

Over the three-year implementation of the LAC Trade Project, CARANA staff and USAID counterparts meet nearly biweekly to discuss activities and ensure that the rapid response mechanism was deployed against the most urgent trade capacity building needs, amid the shifting landscape of FTA negotiations. Throughout this project, activities carried out in one country often served as a case studies for extracting key lessons learned and successful approaches to overcoming implementation challenges so that each subsequent intervention built off of the learning in other countries. In this section, CARANA explores some of the more salient lessons that became clear over the course of the contract, as well as an assessment of our own performance on this project.

1. Civil Society Outreach

Support to civil society outreach activities accounted for the greatest level of activity under this contract, and was the focus of the contract during the initial eighteen-month period. The implementation of these CSOPs proved to be a learning experience for everyone involved, including CARANA's staff implementing these programs. Lessons learned designing and implementing initial CSOPs under this contract were incorporated into later programs, and while initial CSOP activities were successful, the last major CSOP implemented under LAC Trade – the Ecuador CSOP project – was probably the most successful in terms of outreach and impact.

Having worked in the design and implementation of CSOPs over the last three years, CARANA's staff has come to believe that in order to successfully provide outreach to and facilitate dialogue, consultation, input and participation of civil society groups in each country within the context of a free trade agreement negotiation, governments need to design initiatives that:

- Provide civil society groups with a continuous flow of objective and timely information on the importance and possible implications of negotiating a Free Trade Agreement; disseminate specific information on the government's strategy for carrying out these negotiations and of the progress made throughout the negotiating rounds until the completion of the negotiation process; and,
- Develop and promote a process that stimulates the active participation of civil society groups in the country and provides accessible feedback mechanisms for government negotiators on the concerns and opinions of these groups.

In order to achieve these objectives, Governments need to utilize different mechanisms designed to encourage greater information dissemination as well as increased feedback and participation. Over the past three years, CARANA assisted governments with information dissemination and feedback and participation initiatives such as the ones shown below:

Information Dissemination

- Development of an Internet Site to provide information on all aspects of the trade negotiations.
- Naming of an Information Point/Public Liaison, usually an individual who will be available to the general public either by phone, fax or internet (internet site or e-mail) to answer questions and provide information on the negotiations, and/or channel them to the appropriate individuals within the negotiating structure for an appropriate response.

- Publications developed specifically to provide information to the general public and which can also be used to target specific sectors within the general population.
- The implementation of an active program of forums and seminars with key national and international speakers designed to stimulate a greater discussion on the subject and to introduce a broad range of experiences and ideas from a variety of countries.
- The implementation of an active workshop “road show” to reach rural and indigenous populations in the interior of the country that would not otherwise benefit from centralized seminars, forums or trade-related press coverage to help build awareness and create grassroots feedback mechanisms.
- Use of a public relations mechanism to achieve media coverage in a cost effective manner, and which can be used to educate and stimulate a public debate on trade negotiations. The most common example was the use of high level press conferences and/or working sessions to cultivate and “educate” the media which in turn led to free coverage in the media.

Civil Society Feedback and Participation Initiatives

- Creation of a Civil Society Consultative Group which acts as a formal consultative mechanism with civil society groups to provide information and receive feedback.
- Government meetings with targeted civil society groups designed to stimulate a greater discussion and to provide specific information and/or receive more specific feedback on concerns and possible alternative positions.
- The establishment of a mechanism for receiving position papers and for channeling them to the proper individuals within the negotiating team for comment and review.
- The use of public audiences or forums where through a defined process, individuals or organizations may submit position papers and are invited to present these in a public forum with the negotiating team.
- Civil society participation in the negotiations in a manner where they are accessible to the negotiators during the negotiation process to discuss alternative positions and issues that arise as part of the negotiations (Private Sector “Cuarto Adjunto”).

Key lessons learned in the implementation of CSOPs over the last three years are discussed below.

1.1. Need to customize for every country

The first CSOP activity implemented under this program was the program for Central America in 2003 during the CAFTA (later DR-CAFTA) negotiations. In December of 2002, CARANA staff was asked to design a program to be reviewed and approved in Washington before going to the region to discuss this program with governments of the five countries, G-CAP, the individual USAID Missions, and the U.S. Embassy in each country.

The design and approval process was completed in Washington in early February of 2003, at which time CARANA personnel traveled to the region to implement the program. While G-CAP, the individual USAID missions and the Embassies in each country were in agreement with the proposed program, discussions with the governments of these countries surfaced a different reaction. Responses to our proposal in the five countries revealed that while some were in favor of parts of our proposed CSOP for the region, all had different perceptions of what a CSOP should be, and requested that we modify our assistance in accordance to their own programs.

What had started out as a single Central American CSOP, became five individual CSOPs which were designed and implemented at the country level. This made managing and implementing the program much more difficult, but in the long run, was more responsive to the needs of the different countries.

In hindsight, this should not have come as a surprise. The five Central American countries are very different from each other in culture, leadership, government, and experience in negotiating free trade agreements². At one extreme was Costa Rica with a well designed and well publicized civil society outreach strategy and whose program focused on having its negotiators participate in one to two meetings per day with civil society groups, and at the other extreme was Nicaragua, whose strategy was far less developed, revolved primarily around a mass media campaign, and utilized far lower levels of personal contact between government officials and negotiators, and civil society groups.

Differences also emerged in the CSOPs that were implemented with countries currently negotiating FTAs and the CSOPs that were implemented with countries not in the negotiation process. In implementing CSOPs with countries negotiating an FTA, initial CSOP topics covered general aspects of FTAs and the benefits of FTA. However, interest quickly focused on the topics that were being negotiated during the most recent or up-coming negotiating round. Official government participation in CSOP activities was also much more important. In countries not involved in the negotiation process, CSOP topics tended to be more general, and focused more on the experiences and lessons learned from others – most notably Chile and Mexico. In these CSOP activities, official government participation was less important.

As CARANA implemented more CSOPs throughout the LAC Region, we began to add an initial step in the design process, which involved an up-front trip to the country / region to discuss our experiences in implementing CSOPs, and listen to each government's desires and expectations. As we became more experienced we also began adding conditions to our support – all of which are discussed in this section, but in the end, while there were common themes in all of the CSOPs that we implemented, all were different and conformed to the needs of every country.

1.2. The need for strong, high level leadership in implementing a CSOP

A pattern that quickly emerged was that countries that designated a high level government official, with sufficient authority and stature, and that could work exclusively on the implementation of the country's CSOP were much more successful in carrying out their CSOPs than countries that did not do this. Unfortunately, this is not usually the case. In most countries the responsibility for the Government's civil society outreach program is assigned to a government official or negotiator and who already has many other responsibilities and multiple demands on his/her time. Consequently, the CSOP is treated as an afterthought, and not as an integral part of the negotiation and ratification strategy.

In those cases where a high level government counterpart did not exist, CARANA ran into problems and delays in supporting the implementation of a CSOP. It was because of this that in later programs, most notably Colombia and Ecuador, while CARANA was actively involved in the design of a CSOP, we did not initiate implementation support until a high level and dedicated CSOP coordinator who was exclusively dedicated to this program was named.

² We did not come across this problem in implementing the CSOP in the CARICOM nations, perhaps because those countries are smaller and more similar to each other in all aspects than are the Central American nations, and were used to negotiating as a region.

1.3. Participation in the Design Phase of the CSOP was useful

In most cases, CARANA staff was involved in the design and implementation of CSOP programs – although in some cases, CARANA was only asked to support existing CSOP strategies. Initial CSOPs in Costa Rica, Nicaragua, Honduras, Guatemala and Panama are examples of where CARANA was only asked to support existing strategies and/or had limited impact on the existing CSOP strategies.

CARANA staff found that when we were involved in the design of CSOP for a country, the coordination and implementation of the program was apt to be much smoother, and the program much more successful³. We believe that this is because a willingness to discuss alternative approaches to CSOPs and lessons learned from other countries indicates openness to new ideas and approaches.

An early success story was El Salvador, where CARANA staff was invited to critique their strategy and to participate in the re-writing of that strategy. The Salvadorian government went on to implement an innovative CSOP at a level never before seen in that country. The opposite occurred in Panama, where the government had pre-conceived notions regarding their CSOP and was not receptive to our suggestions. The events that we did implement in Panama were to a large extent “forced” on the government by CARANA’s local project coordinator.

1.4. Civil Society Outreach vs. Mass Media Outreach

A recurring strategy that was brought up often was the use of paid mass media campaigns as a way of conducting information dissemination activities. While all countries used some sort of mass media communications strategy in implementing their respective CSOPs, we do not believe that relying on a paid mass media strategy is an effective CSOP tool.

The primary reason in our opinion is that mass media campaigns are very expensive and because of this, difficult to maintain over a period of time. Also, a discussion on FTAs is not easily reduced to thirty-second spots. Finally, there is the debate as to whether or not the extensive use of radio and TV spots, and paid newspaper advertising and supplements is the most effective way of reaching a target audience.

Nicaragua was the only CSOP in which the LAC Trade Project was involved that chose to rely almost exclusively on an extensive mass media component. Opponents to the campaign in Nicaragua argue that while the campaign may have created awareness and may have swayed public opinion, the campaign did not educate, nor did it develop greater understanding of the subject matter. Supporters of the mass media campaign in Nicaragua argue that it did result in a jump in awareness of the DR-CAFTA negotiations, and also led to an increase in popular support for DR-CAFTA as was measured in surveys⁴. Based on our experience in other countries, it is our belief that through the effective use of a broad public relations strategy which forms an integral component of a comprehensive CSOP, governments can achieve much greater outreach and exposure and in a more meaningful and cost effective way.

³ The exception to this was Costa Rica, a country that had successfully implemented CSOPs in the past, and where a coherent and well thought out CSOP for DR-CAFTA was already in place.

⁴ The mass media campaign in Nicaragua also coincided with the negotiating rounds in Managua that month which increased media coverage of DR-CAFTA in general. Consequently, it is difficult to measure the impact of the campaign on its own.

For example, in Ecuador, incredible results were achieved by utilizing almost all of the information dissemination and feedback tools listed above. Ecuador was able extensively leverage public outreach events to transmit a complex message to a target audience that otherwise would not have been reached through a mass media campaign. Furthermore, the political credibility generated in Ecuador from a comprehensively managed CSOP helped to attract additional donor resources interested in supporting government transparency and public education efforts so critical to FTA negotiations. For further discussion of the Ecuador case, please refer to the project profile detailed in the Appendix.

1.5. Private sector vs. public sector support in CSOP activities

One of the key lessons learned in implementing civil society outreach activities in the hemisphere is that counterpart commitment is of extreme importance. This is not a surprising revelation, but one that has a significant impact on the selection of programs to support, structuring the technical assistance, and setting appropriate expectations for achievable results. CARANA and USAID experienced the entire range of the commitment spectrum from those government counterparts supported in their civil society outreach efforts – from the most committed, professional institutions with sound strategies and well-articulated needs, to institutions who sought to manipulate CSOPs for personal or political gain.

In the private sector, the vast majority of the activities and efforts in CSOP support responded directly to well-articulated needs for further debate, additional information, or public awareness raising forums to help the private sector with its obligation to inform government decision-making.

CARANA recommends strongly that future public education and civil society outreach efforts sufficiently evaluate both government and civil society commitment in the design of a CSOP strategy. Further discussion of the importance of “commitment” is provided in Section 2 on the next page.

1.6. CSOPs in support of the negotiation phase vs. after ratification

All of the CSOPs implemented under LAC Trade were carried out in countries that were in the process of negotiating an FTA, or as in the case of Paraguay, prior to any negotiations. It was not until November of 2005 that the LAC Trade Project received a request from Nicaragua to implement a CSOP after ratification. An analysis of this request has led us to conclude that it would be a mistake to carry out a CSOP using the same approach as that which was used during the negotiation phase. Rather, we believe that a CSOP implemented after ratification of the agreement should be very targeted towards groups that can benefit from the FTA, or groups that impact on how the FTA is implemented.

The group that will benefit directly from an FTA is made up of private enterprises and others – including their employees, suppliers and service providers – that can take advantage of the FTA to access new markets. This means developing a message which explains not only what the benefits of the FTA are – although chances are that they know this from previous information received on the FTA – but which explains what support might be available from the government, international donor groups and others to assist these enterprises in accessing these markets.

An example of a CSOP designed for groups that impact how the FTA is implemented would target government employees and others (i.e. customs officials, port and border personnel) and

would support the reforms or changes that need to be implemented in order to comply with the requirements of the FTA or that help to streamline trade and investment procedures and/or reduce transaction costs.

Perhaps our greatest fear as a result of a CSOP after ratification of an FTA is that it will lead to the creation of false expectations, and that government promises will begin to “ring hollow”. For example, continued presentations to small producers that have no chance of benefiting from the FTA directly will eventually lead to frustration and a possible backlash. Touting the benefits of the FTA to enterprises that might be able to take advantage of the FTA with assistance without adequately explaining what assistance is available, will also lead to frustration. It is our recommendation, therefore, that before implementing a CSOP during the implementation phase of the FTA, governments take the time to develop a comprehensive strategy and message to insure that the process is moving forward in a positive manner.

2. Commitment in the implementation of LAC Trade Activities

A review of activities implemented under LAC Trade reveals that activities where there was a strong commitment and involvement in the activity from the local USAID Mission as well as the counterpart institution in country, were implemented much more smoothly and were apt to be much more successful than in other cases. The commitment of the local USAID Mission was essential in helping to keep the project on track and to resolve problems when they came up. Sometimes this meant taking a hard position with the local counterpart in order to get the project implemented on time.

As it turned out, in almost all cases we did experience strong commitment and support from the local USAID Mission. However, the one area that should be improved on in the future is in adding a “priority” requirement in analyzing whether or not to respond to a Mission request (i.e., is this really a priority for the Mission, or are they passing off an activity to LAC Trade because LAC Trade may have funding for it).

Commitment from the counterpart institution was a problem on several occasions, and at times led to delays in project implementation. Unfortunately, commitment on the part of the counterpart institution is sometimes difficult to measure before the project initiates. At the outset of the LAC Trade Project, CARANA moved to implement an activity after receiving a request from a USAID Mission and upon receiving approval from the LAC Trade CTO. However, more recently, we have added an important step in the process – an initial diagnostic phase that CARANA staff can use to review the project, identify problem areas, and measure commitment. For example, CARANA held off in implementing the CSOP in Ecuador until the government finally named a high level coordinator as we had requested. While this led to a delay of several months in the start-up of the project, we believe it was a major contributor to the success of the project in the long run.

3. Value Added Through the LAC Trade Project

Perhaps the most important feature of the LAC Trade project was that it offered the USAID Missions a Trade Capacity Building support mechanism during a period when the Missions themselves were only starting to develop their strategies and put in place mechanisms to support TCB requests within their countries. Starting first in Central America, but then later on in the Caribbean and in South America, the LAC Trade project was able to field teams and initiate projects that were responsive to the TCB requests of different countries in a manner that the

Missions themselves could not because they did not have the “expertise” or the mechanisms to deliver on these TCB requests.

The LAC Trade contract also allowed USAID to build expertise and make it available to Missions quickly to respond to TCB requests related to trade negotiation preparation and participation and trade agreement implementation. For example, the lessons learned in implementing CSOP activities in Central America proved to be a great benefit to countries in the Caribbean and South America as they requested support in designing and implementing their CSOPs. We believe that the same is true for activities carried out in support of trade agreement implementation (i.e., environmental work in Honduras and El Salvador or the Customs/Rules of Origin work in the Dominican Republic) or in support of the transition to free trade (transportation and logistics studies) where initial work has helped develop a methodology and expertise which will make the delivery of these same services in other countries much more effective.

4. Rapid Response Nature of the Project

The project was designed as a “rapid response mechanism”, and in this regard we believe the project was very successful. Under this project CARANA launched teams into the field in support of Mission requests in short periods of time, and we believe that this was very useful in providing timely expertise during critical moments while at the same time served as a demonstration of USAID Washington support and leadership in providing needed resources on a timely basis. The rapid response nature of the project was tested on the very first assignment in November of 2002, and was tested a recently as November of 2005 when the Nicaragua Mission requested the LAC Trade team visit Nicaragua, and we responded by arranging travel within a week of the request.

5. Commodity / Equipment Procurement

Commodity or equipment procurement under LAC Trade came up in only two countries – Nicaragua and El Salvador. In both cases, it can be argued that the equipment contributed in an important way to the success of the project and was always backed by the local USAID Mission. The only problems we encountered were when it came time to transfer the equipment to the local counterpart institution under the project. Coordination with the local Mission in each country was “problematic” at best, most probably because procedures for the transfer of equipment were not clear beforehand.

We do not believe that the LAC Trade contract (or future contracts of this nature) should feature equipment procurement, but at the same time, we believe that there are certain times when a commodity procurement activity is essential to the success of the activity. To avoid problems in the future, however, CARANA suggests that the procedures be discussed with and signed off on by the USAID Mission in country before any commodity procurement discussions can take place.

TABLE I
LIST OF PROJECTS BY REGION AND COUNTRY

COUNTRY	DESCRIPTION
DR-CAFTA	
Costa Rica	<u>Support to the Government of Costa Rica in their Civil Society Outreach program Concurrent to the DR-CAFTA Negotiations</u>
Dominican Republic	<u>Design and Implementation Support of a Civil Society Outreach Program for the Government of the Dominican Republic</u>
El Salvador	<u>Development of a Civil Society Outreach Strategy for the Government of El Salvador</u>
El Salvador	<u>Support to the Government of El Salvador in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
El Salvador	<u>Assistance to the Ministry of the Environment and Natural Resources in El Salvador: Strengthening Civil Society Outreach</u>
Guatemala	<u>Support to the Government of Guatemala in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Honduras	<u>Development of the National Trade Capacity Building Strategy for the Government of Honduras</u>
Honduras	<u>Support to the Government of Honduras in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Honduras	<u>Evaluation of the Environmental Provisions of the DR-CAFTA for the Government of Honduras</u>
Nicaragua	<u>Support to the Government of Nicaragua in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Nicaragua	<u>Support to the Government of Nicaragua during the Negotiating Rounds of DR-CAFTA in Nicaragua</u>
Nicaragua	<u>Support to the Technical Secretariat of the Nicaraguan Production and Competitiveness Cabinet</u>
Nicaragua	<u>Support to the Government of Nicaragua in the Creation of the Administrative Office for Textile Tariff Preference Levels under DR-CAFTA</u>
Nicaragua	<u>Development of an Equilibrium Model on the impact of DR-CAFTA for the Government of Nicaragua</u>
Nicaragua	<u>Training on Rules of Origin for Officials of the Government of Nicaragua</u>
Nicaragua	<u>Evaluation of English Language Capability in Nicaragua for PRONICARAGUA</u>
Nicaragua	<u>Support in the Development of an Arbitration Law for Nicaragua</u>
Nicaragua	<u>Nicaragua Presidential Competitiveness Commission: Project to Reduce Barriers to Investment and Trade</u>
Nicaragua	<u>Dissemination of the Transportation and Logistics Study for Nicaragua</u>
Nicaragua	<u>Pilot Project in Furniture and Wood Products Development in Nicaragua</u>
Nicaragua	<u>Pilot Project in the Tourism Sector in Nicaragua</u>
Nicaragua	<u>Improvement in the Operations of the Nicaragua National Free Zone Commission</u>

TABLE I - Continued
LIST OF PROJECTS BY REGION AND COUNTRY

COUNTRY	DESCRIPTION
ANDEAN FTA COUNTRIES	
Bolivia	<u>Bolivia – Civil Society Outreach Technical Assistance and FTAA Conference</u>
Colombia	<u>Development of a Civil Society Outreach Strategy for the Government of Colombia</u>
Colombia	<u>Civil Society Outreach Strategy for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA</u>
Colombia	<u>Private Sector SME Certification Project for the Government of Colombia</u>
Ecuador	<u>Development of a Civil Society Outreach Strategy for the Government of Ecuador</u>
Ecuador	<u>Support to the Government of Ecuador in their Civil Society Outreach Program Concurrent to the Andean FTA Negotiations</u>
Ecuador	<u>Strategic Advisory Support to the Government of Ecuador in their Continued Civil Society Outreach Program, Phase II</u>
MERCOSUR COUNTRIES	
Brazil	<u>Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities</u>
Brazil	<u>Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and related Free Trade Agreements</u>
Paraguay	<u>Implementation of a Civil Society Outreach Program on the FTAA with the Paraguayan Ministry of Foreign Relations</u>
Paraguay	<u>Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector</u>
CARICOM COUNTRIES	
Eastern Caribbean	<u>Civil Society Outreach Program in the Caribbean on Free Trade, CSME Issues and the Free Trade Area of the Americas (FTAA)</u>
Suriname	<u>Development of the National Trade Capacity (TCB) Strategy for the Government of Suriname</u>
OTHER	
USAID/LAC	<u>CAFTA Civil Society Outreach Inventory of Central America</u>
USAID/LAC	<u>CAFTA Labor Activity Review for USAID/LAC</u>
USAID/LAC	<u>Rapid Assessment of Potential Barriers to Cross-Border Financing in Central America</u>
USAID/LAC	<u>Caribbean Port Security Readiness Audit ~ Eastern Caribbean States</u>
Panama	<u>Implementation of a Civil Society Outreach Program with the Government of Panama and Panamanian Private Sector</u>
Panama	<u>Assistance to the Government of Panama with the Development of a Revised National Trade Capacity Building</u>
Haiti	<u>An Assessment of the Potential Impact of the Haitian Economic Recovery and Opportunity Act (HERO)</u>

TABLE II
LIST OF PROJECTS BY PROJECT TYPE

COUNTRY	DESCRIPTION
ASSISTANCE IN TRADE NEGOTIATION PREPARATION AND PARTICIPATION	
CIVIL SOCIETY OUTREACH INITIATIVES	
Bolivia	<u>Bolivia – Civil Society Outreach Technical Assistance and FTAA Conference</u>
Brazil	<u>Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities</u>
Brazil	<u>Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and related Free Trade Agreements</u>
Colombia	<u>Development of a Civil Society Outreach Strategy for the Government of Colombia</u>
Colombia	<u>Civil Society Outreach Strategy for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA</u>
Costa Rica	<u>Support to the Government of Costa Rica in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Dominican Republic	<u>Design and Implementation Support of a Civil Society Outreach Program for the Government of the Dominican Republic</u>
Eastern Caribbean	<u>Civil Society Outreach Program in the Caribbean on Free Trade, CSME Issues and the Free Trade Area of the Americas (FTAA)</u>
Ecuador	<u>Development of a Civil Society Outreach Strategy for the Government of Ecuador</u>
Ecuador	<u>Support to the Government of Ecuador in their Civil Society Outreach Program Concurrent to the Andean FTA Negotiations</u>
Ecuador	<u>Strategic Advisory Support to the Government of Ecuador in their Continued Civil Society Outreach Program, Phase II</u>
El Salvador	<u>Development of a Civil Society Outreach Strategy for the Government of El Salvador</u>
El Salvador	<u>Support to the Government of El Salvador in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Guatemala	<u>Support to the Government of Guatemala in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Honduras	<u>Support to the Government of Honduras in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Nicaragua	<u>Support to the Government of Nicaragua in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations</u>
Panama	<u>Implementation of a Civil Society Outreach Program with the Government of Panama and Panamanian Private Sector</u>
Paraguay	<u>Implementation of a Civil Society Outreach Program on the FTAA with the Paraguayan Ministry of Foreign Relations</u>
Paraguay	<u>Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector</u>

TABLE II - Continued
LIST OF PROJECTS BY PROJECT TYPE

COUNTRY	DESCRIPTION
ASSISTANCE IN TRADE NEGOTIATION PREPARATION AND PARTICIPATION	
OTHER ACTIVITIES	
Honduras	Development of the National Trade Capacity Building Strategy for the Government of Honduras
Nicaragua	Support to the Government of Nicaragua during the Negotiating Rounds of DR-CAFTA in Nicaragua
Panama	Assistance to the Government of Panama with the Development of a Revised National Trade Capacity Building
Suriname	Development of the National Trade Capacity (TCB) Strategy for the Government of Suriname
ASSISTANCE IN TRADE AGREEMENT IMPLEMENTATION	
El Salvador	Assistance to the Ministry of the Environment and Natural Resources in El Salvador: Strengthening Civil Society Outreach
Honduras	Evaluation of the Environmental Provisions of the DR-CAFTA for the Government of Honduras
Nicaragua	Support to the Government of Nicaragua in the Creation of the Administrative Office for Textile Tariff Preference Levels under DR-CAFTA
Nicaragua	Training on Rules of Origin for Officials of the Government of Nicaragua
Nicaragua	Development of an Equilibrium Model on the impact of DR-CAFTA for the Government of Nicaragua
ASSISTANCE IN THE TRANSITION TO FREE TRADE	
Colombia	Private Sector SME Certification Project for the Government of Colombia
Nicaragua	Support to the Technical Secretariat of the Nicaraguan Production and Competitiveness Cabinet
Nicaragua	Evaluation of English Language Capability in Nicaragua for PRONICARAGUA
Nicaragua	Support in the Development of an Arbitration Law for Nicaragua
Nicaragua	Nicaragua Presidential Competitiveness Commission: Project to Reduce Barriers to Investment and Trade
Nicaragua	Dissemination of the Transportation and Logistics Study for Nicaragua
Nicaragua	Pilot Project in Furniture and Wood Products Development in Nicaragua
Nicaragua	Pilot Project in the Tourism Sector in Nicaragua
Nicaragua	Improvement in the Operations of the Nicaragua National Free Zone Commission
USAID/LAC	Rapid Assessment of Potential Barriers to Cross-Border Financing in Central America
OTHER	
USAID/LAC	CAFTA Civil Society Outreach Inventory of Central America
USAID/LAC	CAFTA Labor Activity Review for USAID/LAC
USAID/LAC	Caribbean Port Security Readiness Audit ~ Eastern Caribbean States
Haiti	An Assessment of the Potential Impact of the Haitian Economic Recovery and Opportunity Act (HERO)

II. LAC TRADE I ACTIVITIES BY REGION AND COUNTRY

A. DR-CAFTA Countries

1. Costa Rica

1.1. Support to the Government of Costa Rica in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations

The Ministry of Foreign Commerce of Costa Rica (COMEX) had a very well defined Civil Society Outreach strategy and program that was based on its experiences and lessons learned in previous commercial and free trade negotiations. Costa Rica's CSOP was published at the start of the negotiations in a document titled "Information, Consultation, and Participation with Costa Rican Civil Society in the Free Trade Agreement Negotiations". It was the only country to publish its CSOP in this manner, although other countries did announce their CSOP programs in public presentations and/or press conferences. Costa Rica's CSOP included multiple information dissemination and feedback mechanisms which were utilized in bringing about both a high level of knowledge on CAFTA issues in the country, as well as high levels of approval within the general population. There is no doubt that the Government's CSOP was very successful in increasing awareness and a better understanding of CAFTA across the general population. In a survey conducted in December of 2002, 43% of the population had not heard of or knew nothing about what CAFTA was. This percentage dropped to only 12% of the population in February of 2004.

Of all the Central American countries supported under CARANA's CSOP program, Costa Rica was the country that required the least assistance. However, CARANA did provide support to COMEX in Costa Rica by providing speakers on a variety of subjects that included services, tourism, the environment, and Chile's experiences in negotiating its Free Trade Agreement with the United States.

For further information, please refer to the project profile in the Appendix:

[Support to the Government of Costa Rica in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations](#)

2. Dominican Republic

2.1. Design and Implementation Support of a Civil Society Outreach Program for the Government of the Dominican Republic

Work assisting the Government of the Dominican Republic on developing and implementing a Civil Society Outreach Program in the country began in June of 2003, when CARANA consultant, Carlos Torres traveled to Santo Domingo to undertake an initial diagnostic of the situation for USAID/Dominican Republic. However, it was not until October of 2003 that the USAID Mission in the Dominican Republic requested that the LAC Trade Project support a CSOP in the Dominican Republic. In October 2003, Mr. Torres traveled to the Dominican Republic to initiate the process of hiring a local consultant for the project and developing a CSOP strategy to be implemented by the Ministry of Industry and Commerce (SEIC) with CARANA's assistance. During the month of November, Mr. Llenas – CARANA's local consultant hired to help design this project, and Mr. Torres prepared a CSOP strategy for SEIC, which was presented for SEIC's review and consideration in early December. Mr. Llenas was retained for the first six

months of 2004 to provide continued technical assistance to SEIC in the implementation of the CSOP in the Dominican Republic.

For further information, please refer to the project profile in the Appendix:

[*Design and Implementation Support of a Civil Society Outreach Program for the Government of the Dominican Republic*](#)

3. El Salvador

3.1. Development of a Civil Society Outreach Strategy for the Government of El Salvador

In March of 2003, CARANA consultant Carlos Torres traveled to El Salvador to meet with USAID El Salvador and the Ministry of Economy to provide assistance in the development of a Civil Society Program in El Salvador. During preliminary meetings with Ministry officials a request was made to provide assistance in the review of the CSOP strategy which the Ministry was trying to develop at the time. Mr. Torres was able to re-arrange his travel schedule, and worked throughout the rest of that week with Ministry officials to prepare and present a draft strategy for the Minister's approval. The strategy was adopted by the Government, and within two weeks of this field trip, the Minister of Economy gave a press conference on national television to present the Government's civil society outreach strategy, and to express their commitment to this initiative.

For further information, please refer to the project profile in the Appendix:

[*Development of a Civil Society Outreach Strategy for the Government of El Salvador*](#)

3.2. Support to the Government of El Salvador in their Civil Society Outreach program Concurrent to the DR-CAFTA Negotiations

In April of 2003, El Salvador launched a comprehensive CSOP on a scale never before implemented in that country. This program featured multiple information dissemination and feedback mechanisms that brought about a high level of knowledge and approval on CAFTA. El Salvador's CSOP strategy was particularly innovative in that this was the only country in Central America to experiment with the concept of a public forum. While this is widely used by USTR in the United States, it had not been previously tried in Central America.

CARANA's CSOP project in El Salvador provided support to the government of El Salvador in a variety of areas, including finalizing its CSOP strategy, financing various outreach events, assistance to the Ministry of the Environment in developing a public education program on the environment under CAFTA, financing the development of the CAFTA web site, and publishing several brochures on the CAFTA process. CARANA also provided speakers on a variety of topics including services, Mexico's experience in the agricultural sector, labor, environment, Chile's experiences during the negotiation of its free trade agreement with the United States, and the impact of CAFTA on SMEs.

For further information, please refer to the project profile in the Appendix:

[*Support to the Government of El Salvador in their Civil Society Outreach program Concurrent to the DR-CAFTA Negotiations*](#)

3.3. Assistance to the Ministry of the Environment and Natural Resources in El Salvador: Strengthening Civil Society Outreach

In September of 2004, CARANA began the implementation of this project designed to assist the Ministry of the Environment and Natural Resources (MARN) in El Salvador strengthen its civil society outreach program as it relates to the areas of environmental complaints and environmental impact studies, two areas where civil society participation are essential. This work also responded to the need to strengthen civil society participation in the environmental area in compliance with the environmental chapter of the DR-CAFTA. This work was supervised by a CARANA staff member, but it also brought in the resources of the “Centro de Estudios para el Desarrollo” in Chile, whose staff members are specialized in this area.

The project resulted in very concrete recommendations to MARN that will help it be more effective in strengthening its civil society outreach in the areas of environmental complaints and environmental impact studies. The completion of the reading room / computer center was also a major step, and MARN officials have reported that visitor attendance in this reading room has doubled over last year’s figures.

For further information, please refer to the project profile in the Appendix:

[Assistance to the Ministry of the Environment and Natural Resources in El Salvador: Strengthening Civil Society Outreach](#)

4. Guatemala

4.1. Support to the Government of Guatemala in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations

The Guatemalan government’s CSOP strategy stressed informal talks and conferences by their own negotiators and government officials. Within this context, CARANA was asked to provide support to the Ministry of Economy in carrying out their CSOP in support of the CAFTA negotiations. After an initial visit in February of 2003, and a follow up visit in April of 2003, CARANA staff provided several speakers in support of the Government’s program through to the end of 2003, when a new government took office and changed their CSOP strategy.

During the period of CARANA’s assistance to the Government of Guatemala (GOG), the country’s CSOP program faced several difficulties due to changes in the staff at the Ministry, including the replacement of the lead negotiator twice during the negotiating process, and government elections held in November of 2003 during the end of the negotiating rounds.

For further information, please refer to the project profile in the Appendix:

[Support to the Government of Guatemala in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations](#)

5. Honduras

5.1. Development of the National Trade Capacity Building (TCB) Strategy for the Government of Honduras

In October of 2002, CARANA was asked to provide short-term assistance to the Government of Honduras (GOH) in the preparation of its National Action Plan for Trade Capacity Building in

order to successfully participate in the Central American Free Trade Agreement (CAFTA) with the United States. This assignment, which was carried out under important time constraints, was successful in providing the government with a draft National Trade Capacity (TCB) Strategy which it was able to submit in final form in December of that year.

For further information, please refer to the project profile in the Appendix:

[*Development of the National Trade Capacity Building \(TCB\) Strategy for the Government of Honduras*](#)

5.2. Support to the Government of Honduras for their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations

Upon the initiation of the CAFTA negotiations in early 2003, the Ministry for Industry and Commerce (Secretaría de Industria y Comercio – SIC), designed a communication and information strategy to promote a discussion on the benefits and challenges of this free trade agreement. To support this strategy, the Government of Honduras requested limited support in providing speakers for key events. Speakers were provided on request by the Government, which helped to strengthen the overall civil society effort.

For further information, please refer to the project profile in the Appendix:

[*Support to the Government of Honduras for their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations*](#)

5.3. Evaluation of the Environmental Provisions of DR-CAFTA for the Government of Honduras

In July of 2005, CARANA began the implementation of this project designed to assist the Government of Honduras to evaluate and provide strategic recommendations on strengthening its civil society outreach efforts related to the areas of environmental complaints and environmental impact studies, two areas where civil society participation is essential. This work also addressed the need to strengthen civil society participation in the environmental area in compliance with the environmental chapter of the DR-CAFTA. Unfortunately, due to the illness of one of the principal consultants on this project, completion of the project has been and it is now anticipated that the final study will be delivered to USAID/Honduras in January 2006. The study has been modified as a result of these delays to provide very concrete recommendations for the incoming recently elected Government of Honduras to help it be more effective in strengthening its civil society outreach in the areas of environmental complaints and environmental impact studies.

For further information, please refer to the project profile in the Appendix:

[*Evaluation of the Environmental Provisions of DR-CAFTA for the Government of Honduras*](#)

6. Nicaragua

6.1. Support to the Government of Nicaragua in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations

The main purpose of this activity was to assist the Government of Nicaragua to achieve greater consensus and support for the DR-CAFTA free trade negotiations, and specifically to pave the way for its ratification in the National Assembly of Nicaragua. The program focused on informing Nicaraguan civil society on the opportunities and challenges posed by the

implementation of a free trade agreement. It was implemented through the Ministry of Development, Industry and Trade in Nicaragua (Ministerio de Fomento, Industria y Comercio – MIFIC)

For further information, please refer to the project profile in the Appendix:

[Support to the Government of Nicaragua in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations](#)

6.2. Support to the Government of Nicaragua during the Negotiating Rounds of DR-CAFTA in Nicaragua

Under the USAID / CARANA program, financial, administrative and logistic support was provided to the Government of Nicaragua during the highly successful round of negotiations hosted by Nicaragua in September 2003. During this period, MIFIC did not have sufficient funds on hand to cover certain costs associated with these negotiations, which CARANA was able to cover through this “rapid response” contract mechanism.

For further information, please refer to the project profile in the Appendix:

[Support to the Government of Nicaragua during the Negotiating Rounds of DR-CAFTA in Nicaragua](#)

6.3. Support to the Technical Secretariat of the Nicaraguan Production and Competitiveness Cabinet (Gabinete de Producción y Competitividad)

This project focused on providing assistance to the Government of Nicaragua to establish and implement mechanisms to improve coordination and consensus among the Public Sector, Private Business and International Cooperation Agencies. The main component of this project focused on providing support to MIFIC, through the framework of the Presidential Competitiveness Commission (Comisión Presidencial de Competitividad - CPC), a national competitiveness strategy.

For further information, please refer to the project profile in the Appendix:

[Support to the Technical Secretariat of the Nicaraguan Production and Competitiveness Cabinet \(Gabinete de Producción y Competitividad\)](#)

6.4. Support to the Government of Nicaragua in the Creation of the Administrative Office for Textile Tariff Preference Levels (TPLs) under DR-CAFTA

In October 2004, CARANA Corporation, working in coordination with the National Free Zones Commission (Comisión Nacional de Zonas Francas – CNZF) and MIFIC began working on a project to create the Administrative Office for Textile Tariff Preference Levels (TPLs) that Nicaragua was able to negotiate as part of the DR-CAFTA agreement. The main function of the Administrative Office will be to assign and manage the TPLs in Nicaragua under DR-CAFTA in a transparent and open manner.

For further information, please refer to the project profile in the Appendix:

[Support to the Government of Nicaragua in the Creation of the Administrative Office for Textile Tariff Preference Levels \(TPLs\) under DR-CAFTA](#)

6.5. Development of an Equilibrium Model on the Impact of DR-CAFTA for the Government of Nicaragua

The Government of Nicaragua, through the Ministry of Development, Industry and Trade in Nicaragua officially requested that USAID support the design of an econometric model that the Government could use to measure the possible effects the DR-CAFTA agreement would have on the labor market, poverty and income distribution, and on the different productive sectors of the economy. USAID agreed to support this initiative and assigned the responsibility to CARANA under the LAC Trade contract.

For further information, please refer to the project profile in the Appendix:
[Development of an Equilibrium Model on the Impact of DR-CAFTA for the Government of Nicaragua](#)

6.6. Training on Rules of Origin for Officials of the Government of Nicaragua

At the request of the Government of Nicaragua, the LAC Trade Project paid for the participation of two government officials in a training program on Rules of Origin that was held in El Salvador in May of 2004. Under this project, USAID/CARANA paid for the training costs as well as the transportation and per diem costs for these participants.

For further information, please refer to the project profile in the Appendix:
[Training on Rules of Origin for Officials of the Government of Nicaragua](#)

6.7. Evaluation of English Language Capability in Nicaragua for PRONICARAGUA

In the interest of assessing English language skills in the workforce in Nicaragua with an eye towards supporting the tourism industry and other related services, PRONICAGUA requested that USAID and CARANA fund a project in this area. The objective of the program was to identify a large number of young Nicaraguans who have intermediate or better English language skills and to register them in a database.

For further information, please refer to the project profile in the Appendix:
[Evaluation of English Language Capability in Nicaragua for PRONICARAGUA](#)

6.8. Support in the Development of an Arbitration Law for Nicaragua

At the request of USAID Nicaragua, CARANA Corporation began working on this task in June of 2003. At the time, Nicaragua was the only Latin American country without a viable arbitration system in place. Initial work was done with USAID Nicaragua to analyze options on how to support the project. By September of 2003, USAID made the decision to support the project being proposed by the Nicaraguan Chamber of Commerce (Cámara de Comercio de Nicaragua - CACONIC) and managed by CACONIC's Arbitration Commission. After a two year effort, the law was passed and went into effect on August 24, 2005.

For further information, please refer to the project profile in the Appendix:
[Support in the Development of an Arbitration Law for Nicaragua](#)

6.9. Nicaraguan Presidential Competitiveness Commission (Comisión Presidencial de Competitividad – CPC): Project to Reduce Barriers to Investment and Trade

The Government of Nicaragua has long recognized the need to streamline procedures that negatively impact the business climate in the country. At the request of the Presidential Competitiveness Commission, in October of 2004, CARANA began working on a pilot project in this area. In the first phase, project consultants worked on the identification of barriers to investment and trade, focusing on the immigration process affecting foreign investors, and in customs procedures affecting the flow of trade to and from Nicaragua. In the second phase, the project consultants developed short term solutions to streamline procedures in these areas. The project focused on the Free Zone sector since the majority of foreign investors and import – export activities occur within this legal system.

For further information, please refer to the project profile in the Appendix:

[Nicaraguan Presidential Competitiveness Commission \(Comisión Presidencial de Competitividad – CPC\): Project to Reduce Barriers to Investment and Trade Tourism](#)

6.10. Dissemination of the Transportation and Logistics Study for Nicaragua

In January of 2004, CARANA Corporation completed the study titled “The Impact Of Transport & Logistics On Nicaragua’s Trade Competitiveness”. This study formed part of a larger research effort conducted under the Trade Enhancement Service Sector (TESS) project, under contract for the United States Agency for International Development (USAID) in Washington, DC. (Contract No. PCE-I-07-97-00014).

At the request of USAID/Nicaragua, this study was widely distributed in the public and private sectors, including: port companies, airports, the Ministry of Transportation, shipping agents, customs agents, and other transportation and logistics firms. The study was well received, and raised the awareness level of transportation and logistics issues in the country.

For further information, please refer to the project profile in the Appendix:

[Dissemination of the Transportation and Logistics Study for Nicaragua](#)

6.11. Pilot Project in Furniture and Wood Products Development in Nicaragua

The wood furniture pilot project in Nicaragua was one of two pilot projects (one in tourism and one in the furniture and wood products area). This pilot project focused on improving the competitiveness of 2 selected wood furniture manufacturing groups by strengthening market links with international furniture buyers and providing limited technical assistance in production and quality control. A market-driven program was utilized to stimulate the changes required for the development of a successful export program within this sector focusing on improved production practices (e.g. moisture control, finishing skills).

For further information, please refer to the project profile in the Appendix:

[Pilot Project in Furniture and Wood Products Development in Nicaragua](#)

6.12. Pilot Project in the Tourism Sector of Nicaragua

The Pilot Project in support of the tourism sector was the second of two pilot projects initiated in February of 2004 to provide technical assistance and training to selected enterprises within two priority sectors or “clusters” in Nicaragua. These pilot projects were designed to demonstrate the effectiveness of targeted enterprise level technical assistance as an alternative to implementing a much more comprehensive (and expensive) “cluster strategy” as proposed by the government of Nicaragua. Each pilot project was assigned a maximum budget of \$100,000.

This activity was intended to advise and stimulate the tourism sector in Nicaragua in order to:

- Generate business profits and other benefits to Nicaraguan tourism entrepreneurs.
- Serve as demonstration experiences to current and aspiring Nicaraguan tourism entrepreneurs.
- Provide product development, marketing, deal making and other practical, “on-the-job” business guidance to Nicaraguan tourism entrepreneurs.
- Increase the exposure of Nicaraguan tourism products to the marketplace.

For further information, please refer to the project profile in the Appendix:

[*Pilot Project in the Tourism Sector of Nicaragua*](#)

6.13. Improvement in the Operations of the Nicaraguan National Free Zone Commission

This initiative was designed to support the National Free Zone Commission (Consejo Nacional de Zonas Francas) developing a series of short term recommendations to improve the operations of the Free Zone / Industrial Park system in the country. The focus of the project was to streamline procedures and in eliminate red-tape. Support was also provided to develop a better organizational structure for the Commission and to develop a management information system to improve the Commission’s monitoring and planning capabilities.

For further information, please refer to the project profile in the Appendix:

[*Improvement in the Operations of the Nicaraguan National Free Zone Commission*](#)

B. Andean FTA Countries

7. Bolivia

7.1. BOLIVIA – Civil Society Outreach Technical Assistance and FTAA Conference

In 2003, CARANA explored the possibility with USAID/Bolivia of launching a Civil Society Outreach Program (CSOP) to coincide with the FTAA negotiations. Initial visits took place during August 2003 to the cities of La Paz and Santa Cruz, resulting in a set of concrete recommendations to USAID/Bolivia on ways to capitalize on a limited speaker program to increase public awareness and key business sector understanding of the FTAA. CARANA sent one speaker, Trade Expert Fernando Clavijo, to Bolivia in September 2003 for a series of conferences and workshops on FTAA-related issues. The program was put on hold shortly thereafter following the political turmoil and change in government.

*For further information, please refer to the project profile in the Appendix:
[BOLIVIA – Civil Society Outreach Technical Assistance and FTAA Conference](#)*

8. Colombia

8.1. Development of a Civil Society Outreach Strategy for the Government of Colombia

The FTA negotiations between Colombia, Ecuador, Peru and the United States began on May 18, 2004. CARANA quickly responded to a request by the Government of Colombia to provide technical assistance in the design of a comprehensive Civil Society Outreach strategy. Francisco Chacón, CARANA Consultant and expert in trade negotiations and CSOPs, traveled to Colombia in May and June of 2004 to work with both USAID/Bogotá and the Ministry of Trade and Commerce (MCE) on the conceptualization of a comprehensive, multi-faceted public outreach strategy. Following the initial visit in May and subsequent strategy document, the Government of Colombia quickly adopted CARANA recommendations and appointed a high-level government official to run the civil society outreach program. Mr. Chacón's second visit provided directional assistance to the newly appointed Coordinator, who implemented a very successful, comprehensive CSOP.

*For further information, please refer to the project profile in the Appendix:
[COLOMBIA – Development of a Civil Society Outreach Strategy for the Government of Colombia](#)*

8.2. Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA

The FTA negotiations between Colombia, Ecuador, Peru and the United States began on May 18, 2004. In support of the government's Civil Society initiative, USAID/Colombia requested CARANA assistance in organizing a series of "trade visits" focused on getting key Colombians from government, the private sector, the media, and agriculture to Mexico to learn how Mexico has benefited from free trade under NAFTA. A series of high-level visits were coordinated throughout 2004 and 2005 to build awareness and understanding of the opportunities and challenges of NAFTA and lessons learned for future FTAs. Each visit included a small group of designated individuals (identified by USAID/Colombia and the Government of Colombia) within the private and public sectors. All of these visits included touching base with various Government of Mexico trade agencies, representatives of the Mexican Legislature, industrial associations, and select businesses that have expanded exports and employment. CARANA managed all aspects of the visits, from administrative and logistical issues, to strategic considerations and ultimate management of the thematic agenda.

*For further information, please refer to the project profile in the Appendix:
[Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA](#)*

8.3. Private Sector SME Certification Project for the Government of Colombia

In October 2005, CARANA launched the Private Sector Certification Project (PSCP), designed to support the implementation of key industry norms and standards in enterprises in several well developed sectors in Colombia. Specifically, the project will provide technical assistance and training to 30 SMEs in Colombia, of which at least 80% will be located outside of Bogotá, in

preparing for and obtaining certifications of key norms and standards identified by the Government of Colombia. The project will also train 25 national consultants in these norms and standards, who in turn will provide a large portion of the technical assist to the targeted SMEs.

The norms and standards that are being focused on in this project are:

- CMMI (Capability Maturity Model Integration): a certification for software development companies looking to bring discipline to the process of developing software systems.
- HACCP (Hazard Analysis and Critical Control Point): certification program on food safety, critical for food industry exports to the United States.

For further information, please refer to the project profile in the Appendix:

[Private Sector SME Certification Project for the Government of Colombia](#)

9. Ecuador

9.1. Development of a Civil Society Outreach Strategy for the Government of Ecuador

The FTA negotiations between Colombia, Ecuador, Peru and the United States began on May 18, 2004. Shortly after receiving a similar request from the Government of Colombia, CARANA also received a request by the Government of Ecuador to provide technical assistance in the design of a comprehensive Civil Society Outreach strategy. Francisco Chacón, CARANA Consultant and expert in trade negotiations and CSOPs, traveled to Ecuador in June and July of 2004 to work with both USAID/Ecuador and the Ministry of Industry and Commerce (MICIP) on the conceptualization of a comprehensive, multi-faceted public outreach strategy. A draft strategy was provided to the Government in June, and after receiving feedback on the draft, a revised final was provided to the Government in July.

For further information, please refer to the project profile in the Appendix:

[Development of a Civil Society Outreach Strategy for the Government of Ecuador](#)

9.2. Support to the Government of Ecuador in their Civil Society Outreach Program Concurrent to the Andean FTA Negotiations

At the request of the Government of Ecuador, CARANA sent Consultant Francisco Chacón and LAC Trade Deputy Project Manager David Schacht to Quito in early June 2004 to assess the need for a civil society outreach program as Ecuador proceeded in negotiations with the U.S. on the FTA. Although the initial result of the visit was very well received, the government delayed implementing the most important recommendation until October of 2004.

From October 2004 to February 2005, CARANA worked closely with USAID/Quito and Proyecto SALTO, to lead the design and implementation of a CSOP that included outreach events, international speaker series, creation and maintenance of the FTA website, publication of relevant FTA material, support for the government's public education campaign, monitoring and application of public opinion surveys and an education program tailored to the Ecuadorian Congress. In the end, this was the most ambitious and comprehensive Civil Society Outreach Program directly supported by USAID in both the Andean FTA and CAFTA negotiations.

For further information, please refer to the project profile in the Appendix:

[Support to the Government of Ecuador in their Civil Society Outreach Program Concurrent to the Andean FTA Negotiations](#)

9.3. Strategic Advisory Support to the Government of Ecuador in their Continued Civil Society Outreach Program, Phase II

In August 2005, the Government of Ecuador (GOE) asked for USAID's assistance with its current civil society outreach strategy to coincide with the conclusion of the Andean FTA negotiations and subsequent efforts toward ratification. CARANA Consultant Francisco Chacon traveled to Quito, Ecuador in August 2005 to meet with the Government of Ecuador and review their current CSOP strategy and provide recommendations for improvement. Additional trips were planned for October and November of 2005, but were later cancelled by the GOE.

For further information, please refer to the project profile in the Appendix:

[Strategic Advisory Support to the Government of Ecuador in their Continued Civil Society Outreach Program, Phase II](#)

C. MERCOSUR Countries

10. Brazil

10.1. Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities

In 2003, USAID/Brazil proposed a new Economic Growth Strategic Objective (SO) focused on Increased Brazilian Public and Private Support for Free Trade and FTAA. Accordingly, LAC/RSD coordinated with USAID/Brazil to provide core funding and interim support under the LAC Trade "Rapid Response" contract to assist the Mission in beginning to implement its new SO. Specifically, USAID/Brazil asked CARANA to support a series of conferences on FTAA and Free Trade themes in secondary cities throughout Brazil in 2003 and 2004, and a series of fact-finding missions to Mexico for key public and private sector leaders to learn about Mexico's experience under NAFTA.

In 2003 and 2004, CARANA conducted a series of ten very successful, high-profile events on the FTAA and Free Trade related issues in the key secondary cities of Belem, Curitiba, Florianopolis, Fortaleza, Porto Alegre, Recife and Salvador. These conferences reached a direct audience of over 1000 key opinion-makers from Brazil's private sector, business sector leaders and active members of each of the Federations of Industry and Commerce in their respective regions. Through live radio broadcasts, television interviews, and extensive press coverage for each of these events, the messages and dialogue reached hundreds of thousands of interested listeners in each of these cities. The debates and discussions in these events helped to build public awareness for the opportunities and challenges for the private sector as Brazil considers policies favorable to more liberalized trade.

For further information, please refer to the project profile in the Appendix:

[Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities](#)

10.2. Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and related Free Trade Agreements

In 2004 and 2005, CARANA successfully managed a series of fact-finding missions to Mexico, among the most comprehensive FTA study tours designed and with unprecedented access to leading Mexican authorities of the subject of key lessons learned under NAFTA. Tours included a group of Brazilian journalists, agricultural representatives and congressional leaders who were given in-depth access to leading Mexican opinion-leaders on key lessons learned after 10 years under NAFTA. All program participants gave positive feedback to USAID on the value of these trips, as evidenced by press coverage and extended invitations to select speakers for follow-up conferences in Brazil on topics discussed during the trips.

For further information, please refer to the project profile in the Appendix:

[Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and related Free Trade Agreements](#)

11. Paraguay

11.1. Implementation of a Civil Society Outreach Program for the Paraguayan Ministry of Foreign Relations

From May to December 2004, CARANA supported a Civil Society Outreach Program (CSOP) in Paraguay with the Ministry of Foreign Relations. The program was designed to effectively increase support among the Paraguayan population for the FTAA and free trade in general. This Civil Society Outreach Program successfully supported the Paraguayan Ministry of Foreign Relations efforts and the terms of the Memorandum of Understanding between USAID and the Ministry. With CARANA's support, the Ministry exceeded its initial expectations, tripling its outreach achievements with 91 seminars and 16 large events reaching over 5,000 key stakeholders throughout the interior of the country. These 2-3 hour seminars covered the status of the FTAA negotiations and the general opportunities and challenges of FTAs.

For further information, please refer to the project profile in the Appendix:

[Implementation of a Civil Society Outreach Program on the FTAA with the Paraguayan Ministry of Foreign Relations](#)

11.2. Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector

In May 2005, USAID/Asunción solicited CARANA's involvement in designing and implementing a Civil Society Outreach Program on Free Trade with the Paraguayan private sector. The focus of this program was to stimulate private sector dialogue on important issues related to international trade, with particular consideration given to associations who are in position to sustain the dialogue beyond the initial technical assistance. The four principle conferences carried out during the latter half of 2005 each reached an estimated 300 key stakeholders in Asunción, stimulating a series of important civil society discussion on the role of free trade and opportunities for Paraguay. One of the events, on trade and logistics issues, has led to the creation of a forum on trade and logistics and follow on work that will be carried out under LAC Trade III. A second conference, which covered the subject of alternative dispute resolution systems, led to an agreement for technical assistance between the American Arbitrations Association and the local Center of Mediation of Arbitration (run by the Chamber of Commerce).

*For further information, please refer to the project profile in the Appendix:
[Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector](#)*

D. CARICOM Countries

12. Eastern Caribbean

12.1. Civil Society Outreach Program in the Caribbean on Free Trade, CSME Issues and the Free Trade Area of the Americas (FTAA)

The Caribbean Civil Society Outreach Program (CSOP) was a pragmatic multifaceted and multi-layered activity aimed at building public awareness of the opportunities and challenges of free trade and integration in the Caribbean Region. The initiative was a response by USAID to the requests for technical assistance made in the region's Trade Capacity Building Strategies (TCBS) on one hand, while working directly with USAID's CSME Public Education Program (C-TRADECOM) and the CSME Unit of the CARICOM Secretariat to raise public awareness of the CARICOM Single Market and Economy (CSME) on the other. Over a period of 16 months, the program delivered some 22 outreach activities in 10 of the 14 CARICOM countries. All countries benefited directly through participation in regional events.

*For further information, please refer to the project profile in the Appendix:
[Civil Society Outreach Program in the Caribbean on Free Trade, CSME Issues and the Free Trade Area of the Americas \(FTAA\)](#)*

13. Suriname

13.1. Development of the National Trade Capacity Building (TCB) Strategy for the Government of Suriname

In March 2003, USAID asked CARANA Corporation to assist the Government of Suriname with the development of their National Trade Capacity Building Strategy. With the approval of the Government of Suriname and under the supervision of the Ministry of Trade and Industry (MTI), CARANA successfully led the USAID/CARANA/Government of Suriname working group in its rapid completion of a comprehensive National Trade Capacity Building Strategy which included a description of the responsibilities of the institutions and agencies that participate in trade policy decisions and implement agreements; an evaluation of trade personnel experience, institutional capacities, regulations and disciplines, information technology, education, civil society and private sector participation and public awareness, transparency of laws and regulations, and the existing sources of technical assistance in the trade area; and, an evaluation of the key issues included in preparing for and participating in the FTAA negotiations.

*For further information, please refer to the project profile in the Appendix:
[Development of the National Trade Capacity Building \(TCB\) Strategy for the Government of Suriname](#)*

E. Other

14. USAID/LAC

14.1. CAFTA Civil Society Outreach Inventory of Central America

In November of 2003, USAID Washington requested that CARANA compile an inventory of all of the Civil Society Outreach activities carried out in Central America in 2003 in support of the negotiation phase of DR-CAFTA. To compile this inventory, CARANA staff worked extensively with the counterpart institutions in each of the countries to assemble and document the Civil Society Outreach Inventory for USAID. This Civil Society Outreach Inventory was compiled in March 2004 for the Calendar Year 2003.

The Civil Society Outreach Strategy for Central America revealed that the results of the Civil Society Outreach Programs implemented throughout Central America were extraordinary. Over 1350 seminars and forums were held throughout the region with over 10,000 direct participants. Strong media coverage of these and other events provided an extraordinary multiplier effect and provided continuous coverage of CAFTA related topics and issues on a daily basis in each country. Central American countries also demonstrated a willingness to try innovative new approaches in implementing their respective CSOP programs. For example, the Government of El Salvador carried out the first-ever public forum held on trade issues in Central America in April of 2003. This public forum was considered a critical success and will form a part of the Government's civil society outreach initiatives for future negotiations as well.

For further information, please refer to the project profile in the Appendix:

[CAFTA Civil Society Outreach Inventory of Central America](#)

14.2. CAFTA Labor Activity Review for USAID/LAC

In January 2005, USAID/LAC requested CARANA's assistance in conducting a rapid evaluation of the issues and/or difficulties that the Central American countries will face in the implementation of the labor chapter of DR-CAFTA. CARANA provided the bureau with a timely evaluation of the primary considerations of the labor provisions of DR-CAFTA. This report included both an assessment of the specific labor provisions of DR-CAFTA, and a series of recommended support opportunities that could be considered by USAID as potential technical assistance areas in response to stated Central American needs in implementing these labor provisions.

For further information, please refer to the project profile in the Appendix:

[CAFTA Labor Activity Review for USAID/LAC](#)

14.3. Rapid Assessment of Potential Barriers to Cross-Border Financing in Central America

In January 2004, USAID participated in a series of meetings in Guatemala, El Salvador, Honduras, Nicaragua and Panama during which it was determined that regional financial integration, including the inability to easily carry out cross-border financial transactions, was a key constraint to business development in the region. As a result, USAID/LAC specifically asked CARANA to develop a rapid evaluation of the real and perceived constraints to cross-border financing in Central America to further inform the dialogue between USAID and CABI and identify a series of programs that may help to reduce potential business constraints.

Through 38 interviews with key stakeholders and financial actors in Central America and Panama, CARANA's consultant uncovered the current practices associated with cross-border financing and potential impediments to these investment activities. CARANA delivered a final study that provided a comparative analysis of each country's laws and regulations concerning cross-border financing, and which also presented several major conclusions regarding cross-border financing in Central America.

*For further information, please refer to the project profile in the Appendix:
[Rapid Assessment of Potential Barriers to Cross-Border Financing in Central America](#)*

14.4. Caribbean Port Security Readiness Audit ~ Eastern Caribbean States

In February 2004, USAID requested that CARANA review and support a proposal by Caribbean Central American Action (CCAA) to provide technical assistance on port security to the port authorities of the Organization of Eastern Caribbean States (OECS). Specifically, CARANA provided matching funds to CCAA to contract Florida-based SeaSecure LLC to perform security assessments of the OECS Ports. Port security assessments were conducted by Sea Secure LLC – a company specialized in this area – for the following ports: the Port of Bridgetown in Barbados, St. John's Port in Antigua, Prince Rupert Bay/Portsmouth, Roseau Port and Woodbridge Bay Port in Dominica, Port St. Georges and Grenada Cruise Port (under construction) in Grenada, Plymouth Port in Montserrat, Port of Basseterre in St. Kitts, Port of Castries and Port of Vieux Fort in Saint Lucia, and Campden Park Container Port and Kingstown Port & Cruise Terminal in St. Vincent. The port security assessments were successfully completed on time and in advance of the July 1, 2004 deadline for compliance.

*For further information, please refer to the project profile in the Appendix:
[Caribbean Port Security Readiness Audit ~ Eastern Caribbean States](#)*

15. Panama

15.1. Implementation of a Civil Society Outreach Program with the Government of Panama and Panamanian Private Sector

Following an initial diagnostic trip in April 2004, CARANA launched a program in Panama assisting the Vice-Ministry of Foreign Trade (VICOMEX) in developing a strategy for a Civil Society Outreach Program to provide outreach to and facilitate dialogue, consultation, input and participation of civil society groups in Panama within the context of the trade agreement negotiations with the United States. Over the next ten months, CARANA conducted a series of ten very successful, high-profile events on the FTA and Free Trade related issues in Panama City, Chitré, and David which reached a direct audience of over 2000 key opinion-makers from Panama's public and private sector, business sector leaders and active members of each of the primary business associations. Through live radio broadcasts, television interviews, and extensive press coverage for each of these events, the messages and dialogue reached hundreds of thousands of interested listeners in each of these cities. The debates and discussions in these events helped to build public awareness for the opportunities and challenges for the private sector as Panama considers the opportunities and challenges to more liberalized trade with the United States.

*For further information, please refer to the project profile in the Appendix:
[Implementation of a Civil Society Outreach Program with the Government of Panama and Panamanian Private Sector](#)*

15.2. Assistance to the Government of Panama with the Development of a Revised National Trade Capacity Building

In September of 2004, the government of Panama, through VICOMEX, requested USAID assistance in the development of a revised National Action Plan for Trade Capacity Building, reflective of the priorities of the new government that took office in August of 2004. CARANA Corporation was able to assist USAID respond quickly to this request by hiring three local economists to prepare this new document within the thirty-day period requested, and a first draft was submitted to VICOMEX for their final review in November of 2004. Subsequent revisions and the initially limited engagement by Panamanian public sector stakeholders led to additional delays in this project, however, and CARANA was forced to hire an additional consultant in January and February 2005 to provide supplementary support and ensure that the TCB Strategy Document was completed to the government's satisfaction. The final TCB Strategy document identified 71 project profiles for TCB-related technical assistance, working with 17 key public and private sector institutions.

For further information, please refer to the project profile in the Appendix:

[Assistance to the Government of Panama with the Development of a Revised National Trade Capacity Building](#)

16. Haiti

16.1. An Assessment of the Potential Impact of the Haitian Economic Recovery and Opportunity Act (Hero)

This study was carried out in early 2003 in response to the introduction of legislation in the United States (Haitian Economic Recovery and Opportunity Act – HERO) to expand certain preferential trade treatment for Haiti. The legislation was designed to grant special preferences to the Haitian textile sector that is here referred to as such, or as the apparel sector, or the garment sector.

An issue of concern regarding the HERO legislation was whether or not there would be a significant adverse impact upon apparel manufacturers producing in the United States or US textile mills providing fabric. The study concluded that there should be no adverse impact on US apparel manufacturers since the type of apparel that could conceivably enter from Haiti under the new provisions of HERO have long-since left the United States for offshore operations.

For further information, please refer to the project profile in the Appendix:

[An Assessment of the Potential Impact of the Haitian Economic Recovery and Opportunity Act \(HERO\)](#)



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LAC TRADE I

Project to Develop Free Trade and Reduce Business Constraints in the LAC Region

MOBIS GS-10F-0150K Order # EDG-M-00-02-00041-00

APPENDIX – PROJECT PROFILES

December 2005

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LAC TRADE I

Project to Develop Free Trade and Reduce Business Constraints in the LAC Region MOBIS GS-10F-0150K Order # EDG-M-00-02-00041-00

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**Support to the Government of Costa Rica in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

May – August 2003

A. DR-CAFTA Countries

1. Costa Rica

**1.1. Support to the Government of Costa Rica in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

Overview

The Ministry of Foreign Commerce of Costa Rica (COMEX) had a very well defined Civil Society Outreach strategy and program that was based on its experiences and lessons learned in previous commercial and free trade negotiations. Costa Rica's CSOP was published at the start of the negotiations in a document titled "Information, Consultation, and Participation with Costa Rican Civil Society in the Free Trade Agreement Negotiations". It was the only country to publish its CSOP in this manner, although other countries did announce their CSOP programs in public presentations and/or press conferences. Costa Rica's CSOP included multiple information dissemination and feedback mechanisms which were utilized in bringing about both a high level of knowledge on CAFTA issues in the country, as well as high levels of approval within the general population. There is no doubt that the Government's CSOP was very successful in increasing awareness and a better understanding of CAFTA across the general population. In a survey conducted in December of 2002, 43% of the population had not heard of or knew nothing about what CAFTA was. This percentage dropped to only 12% of the population in February of 2004.

Of all the Central American countries supported under CARANA's CSOP program, Costa Rica was the country that required the least assistance. However, CARANA did provide support to COMEX in Costa Rica by providing speakers on a variety of subjects that included services, tourism, the environment, and Chile's experiences in negotiating its Free Trade Agreement with the United States.

Counterparts

CARANA worked in close collaboration with the Ministry of Foreign Trade (COMEX) and the U.S. Embassy in Costa Rica to select and organize a limited speaker program to support the Costa Rican CSOP.

Timeframe

CARANA supported conferences in May and August of 2003.

Activities

CARANA provided limited support to Costa Rica's extensive CSOP by providing several key international speakers on "hot topics" such as agriculture, services and tourism as well as key lessons learned from other countries' experiences with FTAs.

Date	Conference / Activity
February 2003	Initial meetings with the U.S. Embassy and the Ministry of Foreign Trade to discuss tentative support in a limited speaker program.
May 8 – 10, 2003	CARANA Consultant Mariana Silveira traveled to San Jose and gave a series of conferences on the Mexican experience in services industries. CARANA Consultant Bronwen Alsop worked with Ministry Civil Society Outreach Program (CSOP) Coordinator to schedule two international speakers per month from June through October.
May 19, 2003	CARANA arranged for Mexican speaker to travel to Costa Rica to discuss agricultural issues

**Support to the Government of Costa Rica in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations
May – August 2003**

Date	Conference / Activity
	and Mexico's experience under NAFTA. The Costa Ricans cancelled this event.
August 4 – 8, 2003	CARANA Consultant Robertico Croes spoke in Costa Rica to various business associations/groups on the topic of tourism/services within the CAFTA negotiations
August 11, 2003	Ambassador John O'Leary (former Ambassador for the United States in Chile; Ambassador Daniel Carvallo (Director for North America, Central America and the Caribbean for the Ministry of Foreign Relations in Chile; and Ms. Edda Rossi, Chief Negotiator for Chile on environmental issues, met with civil society groups in Costa Rica in a series of seminars coordinated by the U.S. Embassy and the Ministry of Foreign Commerce. Seminars were held over a two-day period (August 11th and 12th), and covered the Chilean – US Free Trade agreement with a strong emphasis on the environmental aspects within the agreement. CARANA arranged for these meetings and supported the three speakers during this important visit.

Results

From May to August 2003, CARANA provided several high profile, engaging international speakers to complement Costa Rica's already ambitious Civil Society Outreach Program. These speakers reached an estimated 750 key stakeholders in both public and private positions of leadership through public conferences and smaller workshops. As with all of CARANA's civil society outreach programs, these meetings were leveraged to build broader public awareness by ensuring ample press coverage, radio and television interviews that reached a much wider population in Costa Rica on key issues surrounding the FTA negotiations.

Relevant Documents

- [A.1.1.1-1 CAFTA Civil Society Outreach Inventory Final Report.pdf](#)
- [A.1.1.1-2 CAFTA Civil Society Outreach Inventory Annex.pdf](#)
- [A.1.1.1-3 Costa Rica Tourism event SOW 08-2003.pdf](#)

2. Dominican Republic

2.1. Design and Implementation Support of a Civil Society Outreach Program for the Government of the Dominican Republic

Overview

Work assisting the Government of the Dominican Republic on developing and implementing a Civil Society Outreach Program in the country began in June of 2003, when CARANA consultant, Carlos Torres traveled to Santo Domingo to undertake an initial diagnostic of the situation for USAID/Dominican Republic. However, it was not until October of 2003 that the USAID Mission in the Dominican Republic requested that the LAC Trade Project support a CSOP in the Dominican Republic. In October 2003, Mr. Torres traveled to the Dominican Republic to initiate the process of hiring a local consultant for the project and developing a CSOP strategy to be implemented by the Ministry of Industry and Commerce (SEIC) with CARANA's assistance. During the month of November, Mr. Llenas – CARANA's local consultant hired to help design this project, and Mr. Torres prepared a CSOP strategy for SEIC, which was presented for SEIC's review and consideration in early December. Mr. Llenas was retained for the first six months of 2004 to provide continued technical assistance to SEIC in the implementation of the CSOP in the Dominican Republic.

Counterparts

The principal counterpart for this project was the Ministry of Industry and Commerce in the Dominican Republic (*Secretaría de Estado de Industria y Comercio* – SEIC)

Timeframe

An initial diagnostic trip was carried out by Carlos Torres in June of 2003, although support in the development and implementation of a CSOP strategy was not requested until October of 2003. Assistance in implementing this program was provided through June of 2004.

Activities

Activities in support of the CSOP strategy were initiated in December of 2003 with the visit of Mr. Francisco Chacón, Central American expert of free trade agreements. Mr. Chacón was in the Dominican Republic for one week in December and gave numerous conferences in Santo Domingo and Santiago to private sector organizations including CONEP, AMCHAM and the Cámara de Producción de Santiago. Mr. Chacón also met with representatives from SEIC and the Secretaría de Estado de Relaciones Exteriores, and participated in various media events on the DR-US FTA (press and television).

Some of the more important activities carried out between January 1, 2004 to June 30, 2004, under this project are summarized below:

- Assistance in the preparations for the first negotiating round in the Dominican Republic in January 2004, and of the visit of Ambassador Robert Zoelick to the country.
- Evaluation and recommendations to improve SEIC's internet site on the DR-US FTA. This led to the contracting of an individual to work on the re-design of the internet site and to improvements on the internet site with project funds. CARANA also hired a local consultant to develop better content for the internet site.

**Design and Implementation Support of a Civil Society Outreach Program for the
Government of the Dominican Republic**

June 2003 – June 2004

- Assistance to SEIC in organizing and financing the participation of nine media representatives during the second negotiating round in Puerto Rico in February of 2004.
- Assistance to SEIC in the development, revision and publishing of nine “information bulletins” in key local newspapers on the advances in the DR-US FTA negotiations. These bulletins were published bi-weekly during the whole negotiating period.
- Assistance to SEIC in the development, revision and publishing of documents, pamphlets, information materials and an interactive CD on the DR-US FTA. These materials were developed for different audiences using different formats, however all of them focused on the achievements arising from the negotiations, and the anticipated benefits from the DR-US FTA.
- Assistance to SEIC in the development and execution of several workshops and information sessions on the DR-US FTA with members of the Dominican negotiating team in different parts of the country. Four such information sessions were carried out:
 - March 2 – Special session with media representatives in Santo Domingo (38 representatives participated).
 - March 23 – Special session with the academic sector (over 100 individuals participated).
 - March 26 – Special session with media representatives in Santiago (30 representatives participated).
 - April 1 – Special session for the SME sector (40 SME representatives participated).
- In April of 2004, SME expert Jorge Alfaro was brought in by the program to carry out presentations and interviews in the country on the subject of the impact of free trade agreements on SMEs. Mr. Alfaro made four different presentations to over 500 individuals, and also participated in four television talk shows / interviews as well as two newspaper interviews.
- In June of 2004, Ricardo Monge, an expert on the impact of FTAs and agriculture was also brought in by the program to participate in a series of presentations on the subject. During his week in the Dominican Republic, Mr. Monge participated in two large conferences, in addition to participating on five different television interviews and 5 press interviews. His visit received a wide degree of coverage across the country.

Results

Assistance provided to the Government of the Dominican Republic under this contract was instrumental in the Government’s ability to implement a CSOP during the negotiation phase of the agreement. Under this program, the Government was able to provide a constant stream of information to civil society groups throughout the negotiation phase at an unprecedented level, and was also able to request and receive support in addressing areas of concern as they arose (i.e. impact of the FTA on SMEs and Agriculture).

Relevant Documents

[A.1.1.2-1 Dominican Republic CSOP Initial Diagnostic 06-2003.pdf](#)
[A.1.1.2-2 Dominican Republic CSOP Final Strategy 11-2003.pdf](#)
[A.1.1.2-3 Dominican Republic CSOP Presentation Chacon 12-2003.pdf](#)
[A.1.1.2-4 Dominican Republic CSOP Chacon Trip Report.pdf](#)
[A.1.1.2-5 Dominican Republic Trip Report - Torres 01-2004.pdf](#)
[A.1.1.2-6 Dominican Republic CSOP Progress Report 05-2004.pdf](#)
[A.1.1.2-7 Dominican Republic CSOP Presentation Monge 06-2004.pdf](#)
[A.1.1.2-8 Dominican Republic Final Update 06-2004.pdf](#)

3. El Salvador

3.1. Development of a Civil Society Outreach Strategy for the Government of El Salvador

Overview

In March of 2003, CARANA consultant Carlos Torres traveled to El Salvador to meet with USAID El Salvador and the Ministry of Economy to provide assistance in the development of a Civil Society Program in El Salvador. During preliminary meetings with Ministry officials a request was made to provide assistance in the review of the CSOP strategy which the Ministry was trying to develop at the time. Mr. Torres was able to re-arrange his travel schedule, and worked throughout the rest of that week with Ministry officials to prepare and present a draft strategy for the Minister's approval.

Counterparts

Ministry of Economy of El Salvador

Timeframe

March and April of 2003

Activities

The bulk of the activity consisted in interviewing government officials and researching documents which had already been prepared in El Salvador on civil society outreach. Based on these interviews, discussions were then held with Ministry officials who presented Mr. Torres with a draft of the CSOP strategy that they envisioned at the time. Over the next several days, Mr. Torres re-worked this draft with Ministry officials, and produced a document which later became the blueprint for their civil society outreach strategy.

Results

At the end of the week, a draft strategy was presented to the Ministry of Economy, and this draft was revised and additional sections were added to it by Ministry Officials. The strategy was adopted by the Government, and within two weeks of this field trip, the Minister of Economy gave a press conference on national television to present the Government's civil society outreach strategy, and to express their commitment to this initiative.

Relevant Documents

[A.3.3.1-1 El Salvador Torres Trip Report 03-2003.pdf](#)

[A.3.3.1-2 El Salvador CSOP Strategy Document March 2003.pdf](#)

**Support to the Government of El Salvador in their Civil Society Outreach program
Concurrent to the DR-CAFTA Negotiations**

April 2003 – November 2004

3. El Salvador

**3.2. Support to the Government of El Salvador in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

Overview

In April of 2003, El Salvador launched a comprehensive CSOP on a scale never before implemented in that country. This program featured multiple information dissemination and feedback mechanisms that brought about a high level of knowledge and approval on CAFTA. El Salvador's CSOP strategy was particularly innovative in that this was the only country in Central America to experiment with the concept of a public forum. While this is widely used by USTR in the United States, it had not been previously tried in Central America. Under the public forum program in El Salvador, civil society groups and/or individuals were invited to submit position papers on the US-CAFTA negotiations. After review of these papers, these same organizations and individuals were then invited to present their position papers to the negotiating team and other government officials as part of the public record. A total of thirteen position papers were presented and discussed at this first public forum in Central America.

Approximately 600 different CAFTA related events were held in El Salvador in 2003, which represents a monumental effort on the part of the Government officials involved in the process. El Salvador also relied heavily on the participation of civil society groups during the actual negotiations. More than 600 individuals were accredited to participate with the government (Cuarto Adjunto) during the different negotiating rounds. This mechanism was particularly useful in providing feedback to the negotiating team during the actual negotiations.

CARANA's CSOP project in El Salvador provided support to the government of El Salvador in a variety of areas, including finalizing its CSOP strategy, financing various outreach events, assistance to the Ministry of the Environment in developing a public education program on the environment under CAFTA, financing the development of the CAFTA web site, and publishing several brochures on the CAFTA process. CARANA also provided speakers on a variety of topics including services, Mexico's experience in the agricultural sector, labor, environment, Chile's experiences during the negotiation of its free trade agreement with the United States, and the impact of CAFTA on SMEs.

Counterparts

The Ministry of Economy

Timeframe

April 2003 through November of 2004

Activities

CARANA assisted through the provision of speakers in addition to the financing of several information brochures and the development of a web site for the Ministry of Economy on the DR-CAFTA negotiations. A list of the major interventions financed by CARANA under LAC Trade I are provided below:

- "Experiencias del Sector Agropecuario Mexicano en el TLC con USA y Perspectivas sobre el TLC CA-USA," presented by Dr. Lugo Chavez, Ministerio de Agricultura y Ganadería - Mexico, May 19, 2003 (96 participants). This session was repeated on the

same day at the Ministry of Agriculture (7 participants), and on May 20th at the University of El Salvador (34 participants) as well as in the town of San Miguel (44 participants).

- “Tratamiento de Tema Laboral en el Contexto de las Negociaciones Comerciales,” presented by Dr. Richard Feinberg, Hotel Marriott San Salvador, July 21, 2003. (72 participants) This session was repeated at a University (Sonsonate) on July 22 with 102 participants, and again on that same date to a group of private sector representatives (15 participants) and at the Ministry of Labor (15 participants).
- “Las Experiencias de Chile en las Negociaciones Comerciales con Énfasis en el Tema Ambiental,” presented by Ambassador John O’Leary, Daniel Carvallo and Ms. Edda Rossi, Hotel Marriott San Salvador, August 14, 2003 (93 participants). This session was repeated on August 14th at the Ministry of the Environment (7 participants) and on August 15 in the town of Santa Ana with 20 additional participants.
- “Experiencias de Negocios con USA,” presented by Enrique Román (Chile) and Oscar Beltrán (México), Hotel Princess, San Salvador, October 14, 2003 (226 participants). This session was repeated on October 15 in the town of San Miguel with 133 participants.
- “Servicios e Inversiones,” presented by Mariana Silveira at the Central Bank of San Salvador, May 5 and 6, 2003 (23 participants).

Results

El Salvador’s CSOP was one of the most successful in Central America, and also represented an unprecedented commitment to civil society outreach by the Government of El Salvador. El Salvador achieved the highest levels of public support for the DR-CAFTA and went on to become the first country to ratify the agreement.

Relevant Documents

Sample presentations and other documents are presented below:

[A.3.3.2-1 El Salvador Initial CSOP Work Plan 04-2003.pdf](#)

[A.3.3.2-2 El Salvador Invitation to Public Forum on CAFTA.pdf](#)

[A.3.3.2-3 El Salvador Alfaro – SME presentation.pdf](#)

[A.3.3.2-4 El Salvador Beltran - SME Mexican Experience.pdf](#)

[A.3.3.2-5 El Salvador Roman - SMEs Chile Experience.pdf](#)

[A.3.3.2-6 El Salvador Feinberg Agenda - Labor Visit.pdf](#)

[A.3.3.2-7 El Salvador Feinberg - CAFTA and Labor presentation.pdf](#)

3. El Salvador

3.3. Assistance to the Ministry of the Environment and Natural Resources in El Salvador: Strengthening Civil Society Outreach

Overview

In September of 2004, CARANA began the implementation of this project designed to assist the Ministry of the Environment and Natural Resources (MARN) in El Salvador strengthen its civil society outreach program as it relates to the areas of environmental complaints and environmental impact studies, two areas where civil society participation are essential. This work also responded to the need to strengthen civil society participation in the environmental area in compliance with the environmental chapter of the DR-CAFTA. This work was supervised by a CARANA staff member, but it also brought in the resources of the “Centro de Estudios para el Desarrollo” in Chile, whose staff members are specialized in this area.

Counterparts

The Ministry of the Environment and Natural Resources in El Salvador (MARN)

Timeframe

September 2004 though June 2005

Activities

The project was designed to assist MARN in reviewing and modifying its current CSOP on the Environmental aspects, and to provide assistance in implementing specific improvements in this program. It was divided into six parts as discussed below:

- A review of principal Salvadoran environmental legislation to identify the legal documents that will be used in the internet based data base and in the reading room which MARN will establish, as well as to identify any potential problem areas between current Salvadoran legislation and DR-CAFTA in the environmental area so that MARN can take the appropriate actions.
- A training program for staff at MARN designed to promote a greater awareness and understanding of the environmental responsibilities under DR-CAFTA. The training program also included a presentation of the consultant’s recommendations to improve civil society participation in the environmental area.
- Preparation of a document, which was published as a brochure and which will also be available on MARN’s internet site summarizing Chapter 17 (environmental chapter) of DR-CAFTA.
- Preparation of a list of materials and documents to be used by MARN on its Internet Site in a special section dedicated to the environmental aspects of CAFTA that will be used to educate civil society groups on trade and environmental issues under CAFTA and other related topics.
- Assistance in the establishing a reading room / computer room / library at MARN in which civil society groups can better inform themselves on trade and environmental issues under CAFTA and related topics. CARANA purchased and installed the necessary equipment and furniture for this reading room which was remodeled by MARN using counterpart funding.

- A review of MARN's current system and requirements for environmental impact studies within the context of the CAFTA agreement was carried out and appropriate recommendations to improve this system were presented in a written report to MARN.

This project was initially designed as a four month initiative to support MARN efforts to improve its civil society outreach initiatives. Ultimately, the project was very successful, however, it took approximately nine months to implement due to the many delays and coordination problems encountered when working with MARN. The most significant delay was due to MARN's inability to prepare the physical location for the reading room / library even though CARANA had already purchased the equipment and furniture. The final stage of this project was completed in May of 2005 with the inauguration of the reading room with representatives from USAID El Salvador present.

Results

The project resulted in concrete recommendations to MARN that will help it be more effective in strengthening its civil society outreach in the areas of environmental complaints and environmental impact studies. The completion of the reading room / computer center was also a major step, and MARN officials have reported that visitor attendance in this reading room has doubled over last year's figures.

Related Documents

[A.3.3.3-1 El Salvador MARN Final Report.pdf](#)

[A.3.3.3-2 El Salvador FTA Environment Brochure - Final Version.pdf](#)

**Support to the Government of Guatemala in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

February 2003 – July 2003

4. Guatemala

**4.1. Support to the Government of Guatemala in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

Overview

The Guatemalan government's CSOP strategy stressed informal talks and conferences by their own negotiators and government officials. Within this context, CARANA was asked to provide support to the Ministry of Economy in carrying out their CSOP in support of the CAFTA negotiations. After an initial visit in February of 2003, and a follow up visit in April of 2003, CARANA staff provided several speakers in support of the Government's program through to the end of 2003, when a new government took office and changed their CSOP strategy.

During the period of CARANA's assistance to the Government of Guatemala (GOG), the country's CSOP program faced several difficulties due to changes in the staff at the Ministry, including the replacement of the lead negotiator twice during the negotiating process, and government elections held in November of 2003 during the end of the negotiating rounds.

Counterparts

The Ministry of Economy in Guatemala

Timeframe

February 2003 through July 2003

Activities

The major CSOP activities in Guatemala supported by the LAC Trade Project are listed below:

- February: Initial meetings with USAID/Guatemala and U.S. Embassy to inform on and kick off the project.
- April: Follow up meetings with USAID and the GOG to review the GOG's requests for support in implementing their CSOP and coordinate with G-CAP on the LAC Trade CSOP in the region.
- May 5-7, 2003: Dr. David Lewis conducted several talks on CAFTA with labor, university and business groups in Guatemala. Dr. Lewis also worked with the Ministry of Economy on its CSOP strategy and with G-CAP to follow-up on specific requests made by them on CSOP issues in the region.
- CARANA / AGEXPRONT (USAID), Conference on CAFTA and its implications for Guatemala by Dr. David Lewis, May 5 – 7, 2003.
- CARANA Consultant, Ambassador Luis Lauredo, met with several civil society groups to discuss CAFTA and the FTAA, June 30 through July 2, 2003.
- CARANA / MINECO (USAID), Dr. Richard Feinberg spoke on the subject of CAFTA and labor to several groups during the week of August 18, 2003.
- CARANA, Enrique Román (Chile), Oscar Beltrán (México), y Jorge Alfaro (El Salvador) spoke to several groups on the impact of free trade agreements on SMEs. Each speaker shared the experiences of their respective country, week of November 30, 2003.
- June 30 – July 2, 2003: Ambassador Luis Lauredo went to Guatemala under LAC Trade and spoke to civil society groups and several media groups on general CAFTA and FTAA topics.

Results

Changes in the negotiating team during the year, including the replacement of the lead negotiator twice during the negotiation phase, and the eventual change in government after elections in November of 2003, made this the most challenging of the Central American countries to support. Many of the records necessary to develop a full listing of the activities carried out under the Government's CSOP program throughout the year were lost after the change in government. For example, during the negotiations, the lead negotiator and members of the negotiating team held almost daily meetings with civil society groups, however this calendar of activities was not available in 2004 when CARANA staff members requested it. However, based on the information that was gathered from a variety of sources, it was evident that the Guatemalan government did carry out an extensive CSOP in the country with a strong focus on rural areas.

Relevant Documents

- [A.4.4.1-1 Guatemala Trip Report - April 23-25.pdf](#)
- [A.4.4.1-2 Guatemala Memorandum on CSOP May 2003.pdf](#)
- [A.4.4.1-3 Guatemala David Lewis Speaker Schedule.pdf](#)
- [A.4.4.1-4 Guatemala Lewis Presentation - CAFTA y Guatemala.pdf](#)
- [A.4.4.1-5 Guatemala Luis Lauredo Schedule.pdf](#)
- [A.4.4.1-6 Guatemala Feinberg - CAFTA and Labor.pdf](#)
- [A.4.4.1-7 Guatemala Roman - SMEs Chile Experience.pdf](#)
- [A.4.4.1-8 Guatemala Alfaro – SME presentation.pdf](#)
- [A.4.4.1-9 Guatemala Beltran - SME Mexican Experience.pdf](#)

Development of the National Trade Capacity Building (TCB) Strategy for the Government of Honduras

October – November 2003

5. Honduras

5.1. Development of the National Trade Capacity Building (TCB) Strategy for the Government of Honduras

Overview

In October of 2002, CARANA was asked to provide short-term assistance to the Government of Honduras (GOH) in the preparation of its National Action Plan for Trade Capacity Building in order to successfully participate in the Central American Free Trade Agreement (CAFTA) with the United States. This assignment, which was carried out under important time constraints, was successful in providing the government with a draft National Trade Capacity (TCB) Strategy which it was able to submit in final form in December of that year.

Counterparts

The Ministry for Industry and Commerce (Secretaría de Industria y Comercio – SIC)

Timeframe

October and November 2002

Activities

In this truly rapid response activity, CARANA assembled a team of three individuals and was able to field this team with less than two weeks notice to assist the Government of Honduras in preparing its TCB strategy. The purpose of the National Trade Capacity Building Strategies was to enhance the trade-related capacities of countries participating in the Free Trade Area of the Americas (FTAA). The Trade Capacity Building Strategy documents define, articulate and prioritize country needs. They are divided into three main parts: a) preparation for and participation in negotiations; b) implementation of the agreement; and c) the transition and changes necessary to fully reap the benefits of the FTAA. These strategies are “conceived in the context of national development objectives and strategies” and as “part of an agenda for economic growth and development and poverty reduction.”

The main objective is to include in these documents the relevant information necessary for presentation to potential donors – both public and private – with appropriate justifications.

CARANA, through USAID, was tasked with assisting the governments of Honduras and Suriname in the development of their TCB strategy.

CARANA staff was able to assist the Government of Honduras in developing its National Trade Capacity Building Strategy within the context of the US-Central American FTA negotiations. USAID/CARANA provided direct assistance to the government of Honduras in the formulation of its National Action Plan (NAP) in October 2002.

Results

As a result of the rapid-response assistance provided under this contract, the Government of Honduras was able to comply with the deadline it was facing for submission of its TCB strategy. The document which was submitted in draft by the consultants to the Ministry of Economy was used almost in its entirety by the Government

Relevant Documents

[A.5.5.1-1 Honduras TCB NAP CARANA final.pdf](#)

**Support to the Government of Honduras for their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

April 2003 – December 2004

5. Honduras

**5.2. Support to the Government of Honduras for their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

Overview

Upon the initiation of the CAFTA negotiations in early 2003, the Ministry for Industry and Commerce (Secretaría de Industria y Comercio – SIC), designed a communication and information strategy to promote a discussion on the benefits and challenges of this free trade agreement. Specifically, the strategy sought to:

- Provide information on the policies of the Government of Honduras as they relate to trade and investment, the importance of commercial and free trade agreements to the Honduran economy, and on the progress of the negotiations throughout the year.
- Develop and discuss options with different civil society groups in the country as to the benefits and challenges of a CAFTA agreement for the country.

To support this strategy, the Government of Honduras requested limited support in providing speakers for key events. Speakers were provided on request by the Government, which helped to strengthen the overall civil society effort.

Counterparts

The Ministry for Industry and Commerce (Secretaría de Industria y Comercio – SIC)

Timeframe

April to December of 2003

Activities

Activities that were directly supported by CARANA Corporation under the LAC Trade Project are listed below:

- Raúl Ortega (México) gave a series of presentations on the responsibilities of civil society groups with regards to free trade negotiations, and Mexico's experiences during the NAFTA negotiations; April 24 and 25, 2003.
- Dr. David Lewis spoke to several groups regarding the importance of the CAFTA negotiations. During that visit, Dr. Lewis also met with Government officials to provide them with input on their civil society outreach program; June 2 to 4, 2003.
- Dr. Antonio Ortiz Mena (México) spoke on Mexico's experiences during the NAFTA negotiations at the civil society forum held during the negotiating rounds in Honduras on June 17, 2003. During his visit, he also met with several government and private sector leaders privately.
- Specialist Richard Feinberg spoke to several audiences in Tegucigalpa and San Pedro Sula on the importance of Labor and CAFTA during the week of August 18, 2003.
- A program on the possible impact of CAFTA on SMEs was presented by Enrique Román (Chile) and Jorge Alfaro (El Salvador) in Tegucigalpa and San Pedro Sula; September 24 to 27, 2003.
- Speaker Jorge Alfaro (SMEs – El Salvador), returned to Honduras on October 23 and 24 for follow on presentations in the country. Regresó a Honduras para participar en la "Rueda de Negocios Centroamericanos" en Tegucigalpa, el 23 y 24 de octubre del 2003.

Results

The Government of Honduras provided a constant flow of information throughout the negotiations. The Government's CSOP stressed smaller informal meetings with Civil Society groups throughout the year with strong participation of the lead negotiator Melvin Redondo, members of the negotiating team and the Minister of Economy (Secretaria de Industria y Comercio – SIC – Minister Norman Garcia) and the different civil society groups within the country. Information was provided to civil society groups in general and included all of the following: The Catholic Church, Associations and Chamber organizations, Political Parties, Business groups and companies, NGOs Women's Groups, Municipal Governments and representatives, professional organizations, and others. The Honduran Council for the Private Sector (COHEP) played a particularly active role before, during, and after each of the negotiating rounds.

Relevant Documents

Some of the more relevant documents related to this activity in Honduras are listed below:

[A.5.5.1-1 Honduras TCB NAP CARANA final.pdf](#)

[A.5.5.2-1 Honduras Lewis Presentation.pdf](#)

[A.5.5.2-2 Honduras Ortega - Civil Society Responsibilities.pdf](#)

[A.5.5.2-3 Honduras Ortiz Mena Presentation.pdf](#)

[A.5.5.2-4 Honduras Alfaro – SME presentation.pdf](#)

[A.5.5.2-5 Honduras Roman - SMEs Chile Experience.pdf](#)

[A.5.5.2-6 Honduras Feinberg - CAFTA and Labor.pdf](#)

Evaluation of the Environmental Provisions of DR-CAFTA for the Government of Honduras

July – December 2005

5. Honduras

5.3. Evaluation of the Environmental Provisions of DR-CAFTA for the Government of Honduras

Overview

In July of 2005, CARANA began the implementation of this project designed to assist the Government of Honduras to rapidly evaluate and provide strategic recommendations on strengthening its civil society outreach efforts related to the areas of environmental complaints and environmental impact studies, two areas where civil society participation is essential. This work also addressed the need to strengthen civil society participation in the environmental area in compliance with the environmental chapter of the DR-CAFTA. This work was supervised by a CARANA staff member, but it also brought in the resources of the “Centro de Estudios para el Desarrollo” in Chile, whose staff members are specialized in this area.

Counterparts

The primary counterparts for this activity include those Honduran institutions with legal mandates for Civil Society Outreach on environmental issues. CARANA consultants also worked directly with other government agencies, private sector associations and NGOs in this effort.

Honduran Public and Private Stakeholders in Active Collaboration with CARANA	
Principle Government of Honduras Counterparts	Additional institutions, private sector associations and NGOs involved in this effort
Secretaría de Recursos Naturales (SERNA)	Instituto Hondureño de Turismo
Secretaría de Industria y Comercio (SIC)	COHEP
Corporación Hondureña de Desarrollo Forestal (AFE COHDEFOR)	Asociación para una Sociedad Justa
Dirección General de Pesca y Acuicultura (DIGEPESCA)	CARITAS
Secretaría de Agricultura (SAG)	Proyecto MIRA
Fiscalía Especial del Ambiente	AHMON
Procuraduría Especial del Ambiente	Comisión de Acción Social Menonita
El Tribunal de Cuentas	DIMA
DECA (Ventanilla unica)	CEHDES
Consejo Consultivo Nacional Ambiental (COCONA)	CNPML
	FUNDAHRSE
	PESIC
	Fundación Pico Bonito
	REDES
	REMBLAH

Timeframe

July 2005 through December 2005

Activities

The project was designed to assist the Government of Honduras in disseminating its responsibilities under the environmental provisions of DR-CAFTA, assessing its current efforts in civil society outreach for complaint resolution mechanisms and environmental impact studies, and provide strategic recommendations on specific improvements in these programs. The rapid evaluation was divided into three parts as discussed below:

Evaluation of the Environmental Provisions of DR-CAFTA for the Government of Honduras

July – December 2005

- Analysis of the principle environmental commitments for the Government of Honduras (GOH) under DR-CAFTA and a rapid assessment of the Honduras' current practices in this area.
- Design of a communication strategy for the GOH to educate key stakeholders on these commitments; this work included a series of documents to be used as dissemination material related to the commitments in civil society outreach in environmental consultations and complaint resolution, and civil society participation in environmental impact studies.
- Three interactive workshops for technical staff at various GON agencies and select private sector and NGO stakeholders designed to promote a greater awareness and understanding of the environmental responsibilities under DR-CAFTA. The training program also to include a presentation of the consultant's strategic recommendations to improve civil society participation in the environmental area.
- Preparation of a document summarizing Chapter 17 (environmental chapter) of DR-CAFTA.

The CARANA team organized three extensive fact-finding missions to Honduras to meet with the major stakeholders within each of the institutions mentioned above. In November 2005, CARANA held a videoconference to discuss initial findings and strategic recommendations in order to ensure that the final deliverable covered those issues of greatest importance to the various government agencies and key environmental stakeholders. Unfortunately, the final trip to Honduras scheduled for November 2005 was postponed due to severe illness of one of CARANA's consultants.

This project was initially designed as a three-month initiative to support the Government of Honduras in prioritizing its needs in civil society participation in environmental management. Ultimately, the project was very difficult to implement given a variety of country-specific factors. Specifically, CARANA encountered very limited political will on the part of the Government of Honduras (in particular SERNA) in ensuring the project's success. Several factors may have contributed to these difficulties, including timing of the November legislative, municipal and presidential elections, and a limited commitment and availability of SERNA technical staff. In addition, the decentralized nature of responsibility for these commitments in Honduras may have played a significant role in limiting the project's ability to have a clear champion within the GOH to ensure the project's success.

Results

As of December 2005, the project has been delayed by the severe illness of one of CARANA's key consultants on the project. It is anticipated that the final study will be delivered to USAID/Honduras in early January 2006, with very concrete recommendations for the incoming recently elected Government of Honduras to help it be more effective in strengthening its civil society outreach in the areas of environmental complaints and environmental impact studies.

Relevant Documents

[A.5.5.3-1 Honduras SOW Environment and CAFTA.pdf](#)

**Support to the Government of Nicaragua in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations
2003 - 2004**

6. Nicaragua

6.1. Support to the Government of Nicaragua in their Civil Society Outreach Program Concurrent to the DR-CAFTA Negotiations

Overview

The main purpose of this activity was to assist the Government of Nicaragua to achieve greater consensus and support for the DR-CAFTA free trade negotiations, and specifically to pave the way for its ratification in the National Assembly of Nicaragua. The program focused on informing Nicaraguan civil society on the opportunities and challenges posed by the implementation of a free trade agreement. It was implemented through the Ministry of Development, Industry and Trade in Nicaragua (Ministerio de Fomento, Industria y Comercio – MIFIC)

In 2003 when CARANA began working on this component of the project in Nicaragua, MIFIC publicly stated that the DR-CAFTA negotiations for which it was responsible were to be handled as clearly and transparently as possible. USAID's support for this CSOP was essential given that the Ministry did not have sufficient resources to carry out a nationwide program at the level that was required.

President Bolaños' administration felt that the contributions of Nicaraguan civil society were important for the negotiation process to succeed and for ensuring the definition of an agreement that would strengthen the economic and social development objectives set forth in the government's policy program.

Counterparts

The principal counterpart for this program was the Ministry of Development, Industry and Trade in Nicaragua – MIFIC.

Timeframe

Support for this project began in 2003 which is when the bulk of this activity was carried out, and ran through the end of 2004.

Activities

With CARANA's support, MIFIC launched a major civil society outreach program in support of the CAFTA negotiations. The objectives of this CSOP campaign included:

- Enriching the country's negotiation position with contributions from its production sectors.
- Validating the position of each negotiating committee to ensure that its status is raised from one that represents the government to one that represents the whole nation.
- Creating a climate of confidence in the private sector and civil society.
- Conducting the negotiation process in a completely transparent manner.
- Establishing and consolidating participation and dialogue with the country's production sectors.
- Creating and maintaining efficient communications structures.

**Support to the Government of Nicaragua in their Civil Society Outreach Program
Concurrent to the DR-CAFTA Negotiations**

2003 – 2004

The LAC Trade Project assisted this program in a variety of ways, including the provision planning assistance, funding specific CSOP efforts – including the publication of materials and media events – as well as by bringing in specialists from other countries to discuss specific topics of interest as discussed below.

Specialists brought to Nicaragua under the USAID / CARANA program gave seminars and talks on various subjects, including the following:

- The Impact of CAFTA on the Agricultural Sector, by Ricardo Monge, David Lewis and Gustavo Rojas.
- Trade Agreements and Labor Rights, by Richard Feinberg.
- Chile's Experience in Negotiating its FTA with the United States: the Environment in the Case of Sanctions (Fines), Dispute Settlement Mechanisms and Civil Society Participation, by Hernán Blanco.
- Expanding the Export Capacity of SMEs: the Case of Mexico, by Oscar Beltrán.

These specialists participated in talks, workshops and other training activities with the deputies of the National Assembly and the members of the FTA Follow-Up Commission in particular. They also participated in talks with students from various universities (e.g. UCA, UNICIT, UCC, UAM, and UCATSE), NGOs, professional associations, business chambers, private enterprises and labor unions.

Under this program, information leaflets on DR-CAFTA were published and distributed at all the events held, with a view to increasing the population's understanding of the process. A major effort was also made to disseminate information throughout the country, including in Matagalpa, Jinotega, León, Chinandega, Rivas, Diriamba, Granada, Estelí, Chontales and Puerto Cabezas, covering the northern, central and southern regions of the country, as well as the Caribbean coastal area.

The USAID / CARANA program also supported the design and hosting of the CAFTA webpage: <http://cafta.mific.gob.ni/index.shtm>, the publication and distribution of 3,000 copies of the "Negotiation Strategy", as well as the DR-CAFTA supplement published in April 2004, ("DR-CAFTA, amplía ventanas de exportación") and the design of the supplement published later ("Nicaragua crecerá con la ratificación del DR-CAFTA") in La Prensa, the most widely-read newspaper in the country.

Results

In 2003 alone, the Government of Nicaragua was involved in over 200 outreach initiatives with civil society groups in the country. This initiative continued into 2004, with an aggressive program to have the negotiators meet directly with civil society groups in the country to discuss the CAFTA agreement.

The success of Nicaragua's CSOP can best be seen in the results of opinion polls taken throughout the negotiation process. These polls showed that awareness of the DR-CAFTA negotiations among those surveyed increased from 2 percent when negotiations were announced to 82 percent, with a very high level of support. The CSOP with the legislative branch was especially successful and has been credited with contributing in an important way to the approval of CAFTA by the legislators.

Relevant Documents

[A.6.6.1-1 Nicaragua Beltran SMEs.pdf](#)
[A.6.6.1-2 Nicaragua Blanco Presentation.pdf](#)
[A.6.6.1-3 Nicaragua and CAFTA Lewis Presentation.pdf](#)
[A.6.6.1-4 Nicaragua CAFTA TA Mission - Lewis Report 09-2003.pdf](#)
[A.6.6.1-5 Sample Document – CAFTA.pdf](#)
[A.6.6.1-6 Sample Document Estrategia.pdf](#)
[A.6.6.1-7 Feinberg - CAFTA and Labor.pdf](#)

Support to the Government of Nicaragua during the Negotiating Rounds of DR-CAFTA in Nicaragua

September 2003

6. Nicaragua

6.2. Support to the Government of Nicaragua during the Negotiating Rounds of DR-CAFTA in Nicaragua

Overview

Under the USAID / CARANA program financial, administrative and logistic support was provided to the Government of Nicaragua during the highly successful round of negotiations hosted by Nicaragua in September 2003. During this period, MIFIC did not have sufficient funds on hand to cover certain costs associated with these negotiations, which CARANA was able to cover through this “rapid response” contract mechanism.

Counterpart

Ministry of Development, Industry and Trade in Nicaragua

Timeframe

September 2003

Activities

The request, which was made two weeks before the CAFTA Negotiation rounds in Managua, was approved by USAID. CARANA staff at the time had to move quickly to arrange for and provide the requested support, which included phone lines, copier rental, office supplies, bus rental for the CAFTA press team, and other administrative support.

Results

Without this support, the Government of Nicaragua would have had trouble securing the funding for the basic items that are listed above. Even though the LAC Trade Project did not have a permanent presence in Nicaragua at this time, CARANA was able to hire a person to coordinate these activities and provide additional support during the negotiations.

Relevant Documents

N/A

6. Nicaragua

6.3. Support to the Technical Secretariat of the Nicaraguan Production and Competitiveness Cabinet (Gabinete de Producción y Competitividad)

Overview

This project focused on providing assistance to the Government of Nicaragua to establish and implement mechanisms to improve coordination and consensus among the Public Sector, Private Business and International Cooperation Agencies. The main component of this project focused on providing support to MIFIC, through the framework of the Presidential Competitiveness Commission (Comisión Presidencial de Competitividad - CPC), a national competitiveness strategy.

Counterpart

The principal counterparts for this initiative were the Ministry of Development, Industry and Trade in Nicaragua and the Technical Secretariat of the Production and Competitiveness Cabinet (Gabinete de Producción y Competitividad).

Timeframe

Assistance was provided from September 2004 through December of 2004.

Activities

The project provided short term consultants to assist in establishing and implementing a coordination structure and/or mechanisms to guarantee the formulation, approval and execution of competitiveness and production policies, strategies, programs and projects as mandated by the National Competitiveness Strategy and the National Development Plan.

Results

A total of 14 person months of technical assistance was provided to the Government in support of this project. Under this project, USAID / CARANA also purchased and donated two laptop computers and a printer to MIFIC for its consultants to use. At the end of the project period, the Government of Nicaragua was able to secure additional funds to contract these individual on their own.

Relevant Documents

[A.6.6.3-1 Nicaragua SOW Coordination-Planning Support-MIFIC.pdf](#)

[A.6.6.3-2 Nicaragua SOW Coordinator on Trade Agreements.pdf](#)

[A.6.6.3-3 Nicaragua SOW Project Specialist.pdf](#)

6. Nicaragua

6.4. Support to the Government of Nicaragua in the Creation of the Administrative Office for Textile Tariff Preference Levels (TPLs) under DR-CAFTA

Overview

In October 2004, CARANA Corporation, working in coordination with the National Free Zones Commission (Comisión Nacional de Zonas Francas – CNZF) and MIFIC began working on a project to create the Administrative Office for Textile Tariff Preference Levels (TPLs) that Nicaragua was able to negotiate as part of the DR-CAFTA agreement. The main function of the Administrative Office will be to assign and manage the TPLs in Nicaragua under DR-CAFTA in a transparent and open manner.

Counterparts

Ministry of Development, Industry and Trade in Nicaragua and the National Free Zones Commission.

Timeframe

September 2004 through February 2005

Activities

The project was implemented in several phases, which included:

- Developing a database of textile and apparel companies operating in Nicaragua.
- Compiling historical data on exports to the United States on the companies currently operating in the textiles and apparel industry.
- Working with the government to develop formulas for allocating TPL quotas to companies that would maximize the benefits to Nicaragua.
- Designing and developing the software for managing the system.
- Purchasing the hardware for this office.
- Developing an organizational plan and staffing pattern for the Administration office and developing the profiles and job descriptions for key positions within the office.

Results

This project was completed successfully in February of 2005, and as a result, the Government of Nicaragua is now prepared to administer its textile and apparel TPL program when DR-CAFTA enters into effect. It should be noted that some additional features might have to be incorporated into the software (e.g. U.S. Customs requirements), however, the software program was designed so that modifications could be incorporated at a later date without a problem.

Relevant Documents

[A.6.6.4-1 Nicaragua SOW Textile Quota System.pdf](#)

[A.6.6.4-2 Nicaragua Specifications of Software System.pdf](#)

[A.6.6.4-3 Nicaragua Decree - Final Draft.pdf](#)

6. Nicaragua

6.5. Development of an Equilibrium Model on the Impact of DR-CAFTA for the Government of Nicaragua

Overview

The Government of Nicaragua, through the Ministry of Development, Industry and Trade in Nicaragua officially requested that USAID support the design of an econometric model that the Government could use to measure the possible effects the DR-CAFTA agreement would have on the labor market, poverty and income distribution, and on the different productive sectors of the economy. USAID agreed to support this initiative and assigned the responsibility to CARANA under the LAC Trade contract.

Counterpart

The Ministry of Development, Industry and Trade in Nicaragua

Timeframe

May of 2004 through July of 2005

Activities

In a cost-sharing program with the United Nations Development Program in Nicaragua, CARANA hired two consultants from the Institute of Social Studies in Holland to design and implement the econometric model for this purpose. To assist the consultants, the government formed an inter-institutional team consisting of MIFIC, the Central Bank of Nicaragua, the Ministry of Finance and Public Credit (Ministerio de Hacienda y Crédito Público – MHCP), the Secretariat for the President's Competitiveness Council (CECEP) and the National Statistics and Census Institute (Instituto Nacional de Estadística y Censos – INEC). This inter-institutional team provided the consultants with the information required to analyze and define the variables for the construction of the econometric model. The team also received training in the use and application of the model through the General Algebraic Modeling System (GAMS) program.

Results

This modeling tool will enable the Government of Nicaragua to project possible scenarios for the implementation of DR-CAFTA beginning in 2006, by taking into account:

- Current and future trade policy and tariff structure.
- Current trade between Nicaragua and the United States, and between Nicaragua and the rest of the world.
- The country's production structure and the participation of the different sectors.
- The composition and characteristics of the labor market.
- Income distribution among the sectors of the population and its impact on poverty.

The model is currently being used by the Government to determine:

- The impact on public-sector finances in terms of losses of revenue brought about by the tariff elimination process.
- The impact on short, medium and long-term economic growth projections.
- The expected impact on the trade balance.

Development of an Equilibrium Model on the impact of DR-CAFTA for the Government of Nicaragua

May 2004 – July 2005

- Projected changes in the composition of Nicaraguan exports and imports and their expected growth rates.
- The expected impact on the different productive sectors in the country.
- The expected impact on exports.
- The inefficiencies derived from the current tariff policy, and the expected benefits of modifying that policy.
- The flexibility or rigidity of the Nicaraguan labor force and the impact on men and women in terms of the jobs and wages that are expected to be directly affected by DR-CAFTA.
- Conclusions and recommendations on the best trade and tariff policies, as well as suggestions for more effective policies to protect the production sectors adversely affected by CAFTA on the one hand, and to maximize opportunities for the production sectors that benefit under the Agreement on the other.

Relevant Documents

[A.6.6.5-1 Nicaragua SOW - Econometric Model.pdf](#)

[A.6.6.5-2 Nicaragua Consultant's Report 08-2004.pdf](#)

[A.6.6.5-3 MIFIC ISS Econometric Final Report.pdf](#)

6. Nicaragua

6.6. Training on Rules of Origin for Officials of the Government of Nicaragua

Overview

At the request of the Government of Nicaragua, the LAC Trade Project paid for the participation of two government officials in a training program on Rules of Origin that was held in El Salvador in May of 2004. Under this project, USAID/CARANA paid for the training costs as well as the transportation and per diem costs for these participants.

Counterparts

The Ministry of Development, Industry and Trade in Nicaragua.

Timeframe

May 2004

Activities

This training is part of an overall effort under DR-CAFTA to boost intra-regional trade, improve the trade and investment climate in the region, and ensure compliance with national and regional obligations. This training program was designed to assist trade facilitation and trade capacity development within DR-CAFTA region.

Results

The seminar took place in El Salvador over a two day period. Attendees included 40 participants from the region and the program was designed for persons who are involved in the day-to-day task of determining product origin and calculating regional content (added value). The training itself included information on the following:

- Regional content value (RCV) calculations.
- Inventory management methods.
- Verification of origin for agricultural and industrial products.
- Issuing advance criteria.
- Law applied to origin-related transactions or activities.
- Methodology applied in origin investigations.
- Training on tariff classification.

The government officials who attended the training agreed to provide additional training to their colleagues in Nicaragua on the subject.

Relevant Documents

[A.6.6.6-1 Nicaragua Rules of Origin Training SOW.pdf](#)

6. Nicaragua

6.7. Evaluation of English Language Capability in Nicaragua for PRONICARAGUA

Overview

In the interest of assessing English language skills in the workforce in Nicaragua with an eye towards supporting the tourism industry and other related services, PRONICARAGUA requested that USAID and CARANA fund a project in this area. The objective of the program was to identify a large number of young Nicaraguans who have intermediate or better English language skills and to register them in a database.

Counterparts

PRONICARAGUA

Timeframe

September 2004 through February 2005

Activities

The project was carried out with the assistance of a local contractor - The Huella advertising firm that was selected in a competitive process. This firm was hired to undertake all tasks related to the identification, attraction and registration of individuals for this database. To do so, it designed an interactive publicity campaign to attract high school, undergraduate and/or graduate students between the ages of 18 and 30. The advertising campaign was supported by three mobile kiosks that were located near Managua's most important universities to promote the project and register interested individuals.

A total of 3,605 candidates were registered during the seven-week publicity campaign. Candidates were registered on a purpose-built web site, nicasearch.com, which contained an online registration form for entering data that was automatically transferred to the database.

In a second step, candidates showing the greatest level of promise, approximately 2,000, were evaluated over the telephone to verify their English proficiency on a scale of 1-10. Those scoring 7 points or more were then interviewed in person to further rate their English skills by staff from Berlitz, a well-known English language program in Nicaragua.

Results

The project was useful in identifying a core number of young persons with different levels of English language skills based on certification tests. Most of these individuals were highly motivated and held a strong desire to find job opportunities that matched their English language skills. Government officials feel that English language skills will become even more important as Nicaragua expands its tourism industry and, as a result, believes that this initial database will be a tool to support this fast growing industry over the next few years.

Relevant Documents

[A.6.6.7-1 Nicaragua Language Capability Project Profile.pdf](#)
[A.6.6.7-2 Nicaragua SOW Language Capacity Study.pdf](#)
[A.6.6.7-3 Nicaragua Language Capability Final Report.pdf](#)

6. Nicaragua

6.8. Support in the Development of an Arbitration Law for Nicaragua

Overview

At the request of USAID Nicaragua, CARANA Corporation began working on this task in June of 2003. At the time, Nicaragua was the only Latin American country without a viable arbitration system in place. Initial work was done with USAID Nicaragua to analyze options on how to support the project. By September of 2003, USAID made the decision to support the project being proposed by the Nicaraguan Chamber of Commerce (Cámara de Comercio de Nicaragua - CACONIC) and managed by CACONIC's Arbitration Commission.

Counterpart

Nicaraguan Chamber of Commerce

Timeframe

September 2003 through December 2004

Activities

- In September of 2003, CACONIC's Arbitration Commission presented USAID with a budget for the project to be managed by CARANA Corporation and which contemplated the following needs over an initial four-month period (the initial period was later extended).
Contracting of a local public relations/facilitation firm ("Publicity").
- Contracting of a local lawyer / consultant (Dr. César Vega) to help draft the law and advise CACONIC on the project.
- Identification and contracting of an international consultant on the subject (Dr. Marcela Filloy).
- Development of an international visitor program by arbitration experts (Dr. Roberto Illingworth and Dr. Adriana Polanía).
- Purchase of equipment (laptop and a projector).
- Preparation of brochures and pamphlets in support of the arbitration project.
- Payment of project "Other Direct Costs" including those associated with a series of seminars to different interest groups in the country.

During the initial stage, a total of twenty presentations to several private sector groups, special interest groups, universities, government officials, and supreme court representatives were carried out to communicate the benefits of the arbitration project, and to build support for the project.

A second phase of the project was approved in April of 2004. This phase focused on the analysis, consultation and approval of the draft arbitration law and the presentation of this draft law to the National Assembly. As with the first phase, much of the work focused on consensus building which was carried out through organized activities among various sectors and organizations with an interest in, or that could benefit from, an arbitration law. From April to September 2004, a total of 23 additional events of this nature were carried out.

Consultations were also held through the web site www.conflictos.info, which was designed to provide information on the draft law, the background regarding the need for such a law, the

commission that created it, events and articles by international experts, questionnaires, and relevant contact information.

International arbitration experts also participated during this phase of the project through lectures on the subject in universities, jurists' associations, business associations, government institutions, diplomatic missions and non-governmental organizations. These experts included Dr. Roberto Illingworth, President of the Inter-American Commercial Arbitration Commission (IACAC), Dr. Adriana Polanía, Executive Director of IACAC, and Dr. Marcela Filloy who also provided ongoing support for the overall project, including the drafting and review of the law.

Interviews with these international experts and others were also broadcast through scheduled interview programs on channels 12, 4, 2, 23 and 100% Noticias. Articles were also placed in the news media (El Nuevo Diario, La Prensa and Bolsa de Noticias), to inform the public on the law and on the consultative process. Copies of the draft law were distributed to all participants during the consultation process. Additional materials (posters, etc.) were also printed up at the end of this stage, and a brochure on Alternate Dispute Settlement Methods was also distributed.

As a result of these consultations, several important modifications were made to the draft law:

- Define the law solely in terms of mediation and arbitration methods.
- Include specific chapters for each method in the Law.
- Identify the Chamber of Commerce as the entity responsible for registering mediation and arbitration entities or centers.
- Improve the way in which awards are framed and executed.
- Ensure coordination between arbitration tribunals and the courts.

Towards the end of the consultation and review process, a strategy for presenting the draft law to the National Assembly was developed. This involved having the party leaders of the different political parties sign the draft law showing their support for the project.

Results

The draft law was officially submitted during the Plenary Session of October 21, 2004 to the First Secretary of the National Assembly for subsequent tabling on October 26 to the President of the National Assembly, Dr. Carlos Noguera, and the Second Secretary of the Board of Directors of the National Assembly, Jorge Matamoros.

Discussion of the Draft Law was immediately placed on the agenda of the National Assembly and was discussed in the plenary and subsequently referred to the Justice Commission. The law was finally passed and went into effect on August 24, 2005.

Relevant Documents

[A.6.6.8-1 Nicaragua SOW Arbitration Law.pdf](#)

[A.6.6.8-2 Nicaragua Mediation and Arbitration Law 540.pdf](#)

6. Nicaragua

6.9. Nicaraguan Presidential Competitiveness Commission (Comisión Presidencial de Competitividad – CPC): Project to Reduce Barriers to Investment and Trade

Overview

The Government of Nicaragua has long recognized the need to streamline procedures that negatively impact the business climate in the country. At the request of the Presidential Competitiveness Commission, in October of 2004, CARANA began working on a pilot project in this area. In the first phase, project consultants worked on the identification of barriers to investment and trade, focusing on the immigration process affecting foreign investors, and in customs procedures affecting the flow of trade to and from Nicaragua. In the second phase, the project consultants developed short term solutions to streamline procedures in these areas. The project focused on the Free Zone sector since the majority of foreign investors and import – export activities occur within this legal system.

Counterparts

The counterpart for the work on immigration procedures was the General Directorate for Immigration (Dirección General de Migración y Extranjería – DGME) and the counterpart for the work in the customs area was the General Customs Directorate (Dirección General de Aduanas – DGA).

Timeframe

October 2004 through February 2005

Activities

The diagnostic study in the immigration area found several major problems affecting foreign investors trying to operate in Nicaragua. These included significant delays in obtaining residency permits; multiple and unclear application procedures, a cumbersome and inefficient application process (excessive paperwork, etc.); delays in issuing the permits once they were approved; and, an unstable management information system to manage and provide greater control over the process.

The diagnostic study in the customs area also uncovered similar problems: Customs procedures were unclear; delays in performing inspections and monitoring cargos are common; a lack of coordination among customs offices was creating a breakdown in controls and efficiency; and, an inefficient dispute settlement mechanism between the customs service and the user to quickly resolve issues.

Results

Based on these diagnostic studies, CARANA's consultants carried out the following activities:

Immigration Procedures:

- The development of a workflow management system for the residency permits (application, analysis, approval and control).
- The acquisition of equipment and software to modernize the residency application process.

The system was designed ensure a faster delivery time and greater security in the issuing of investor residency permits. Among the features of the system are the ability to capture application data electronically, provide better work / process flow control, and to provide greater security (physical traceability of files). An added bonus is that the software was designed so that it could be adapted to other immigration procedures as well, providing a platform for future automation processes. The system will also provide an improved ability to respond to queries made by residency permit applicants, and in the end, will ensure faster delivery times and greater security in the issuing of investor residency permits.

Customs Procedures:

- Development of procedures for the inspection of goods and for monitoring activities in customs offices and Free Zones.
- Proposal for a reorganization of the customs management within the Free Zones.

The Procedures Manual for Customs Inspections and Controls within the Free Zones included recommendations for improved control and inspections using an automatic dispatch system and covers the most important operations carried out in the free zones by Customs (import, export, transfer, and the control of losses and waste). The Organization and Functions Manual for customs offices in the Free Zones focused on a more rational functional organization, and an improved coordination structure, which should allow these offices to operate more efficiently.

Relevant Documents

[A.6.6.9-1 Nicaragua Project Profile CPC Streamlining.pdf](#)

[A.6.6.9-2 Nicaragua SOW Immigration Streamlining.pdf](#)

[A.6.6.9-3 Nicaragua SOW FreeZone Streamlining.pdf](#)

[A.6.6.9-4 Nicaragua Final Report Immigration Streamlining.pdf](#)

[A.6.6.9-5 Nicaragua Final Report Customs Streamlining.pdf](#)

6. Nicaragua

6.10. Dissemination of the Transportation and Logistics Study for Nicaragua

Overview

In January of 2004, CARANA Corporation completed the study titled “The Impact Of Transport & Logistics On Nicaragua’s Trade Competitiveness”. This study formed part of a larger research effort conducted under the Trade Enhancement Service Sector (TESS) project, under contract for the United States Agency for International Development (USAID) in Washington, DC. (Contract No. PCE-I-07-97-00014).

The Nicaragua case study was the first of four case studies scheduled to be conducted throughout the course of the project. It was completed by CARANA Corporation with the support of a local research economist and the Nicaragua-based transportation-consulting firm, CONSULMAR.

At the request of USAID/Nicaragua, this study was widely distributed in the public and private sectors, including: port companies, airports, the Ministry of Transportation, shipping agents, customs agents, and other transportation and logistics firms. The study was well received, and raised the awareness level of transportation and logistics issues in the country.

Counterparts

USAID, Ministry of Development, Industry and Trade, Private Sector Participants in the Transportation and Logistics sector.

Timeframe

April through June of 2004

Activities

In May of 2004, CARANA organized a presentation of the study with the study’s authors to private and public sector officials. The study and the presentation resulted in a public debate and a series of public / private sector meetings which prioritized action areas and defined specific needs in order to remove constraints to more efficient transportation and logistics handling in Nicaragua:

- Customs facilitation and modernization.
- An integrated information system for transport, cargo and foreign trade in general.
- Preparation of a feasibility study for a cargo and logistics consolidation center.
- Revision and/or drafting of a General Law on Ports.
- Training for personnel in entities responsible for borders, ports and airports to facilitate procedures to better serve customers.
- Logistics training for the private sector.

Results

The first of these needs listed above, (customs facilitation and modernization) was partially addressed through the LAC Trade Project, while the government agreed to find ways to address the third (feasibility study for a cargo and logistics consolidation center) and fourth points (revision and/or drafting of a General Law on Ports). Progress in other areas has stalled due to a lack of funding for these initiatives in Nicaragua.

Relevant Documents

N/A

6. Nicaragua

6.11. Pilot Project in Furniture and Wood Products Development in Nicaragua

Overview

In February of 2004, CARANA staff initiated two pilot projects to provide technical assistance and training to selected enterprises within two priority sectors or “clusters” in Nicaragua. The two sectors or “clusters” targeted in these pilot programs were the tourism sector and the wood furniture manufacturing sector. These pilot projects were designed to demonstrate the effectiveness of targeted enterprise level technical assistance as an alternative to implementing a much more comprehensive (and expensive) “cluster strategy” as proposed by the government of Nicaragua. Each pilot project was assigned a maximum budget of \$100,000.

The wood furniture pilot project focused on improving the competitiveness of 2 selected wood furniture manufacturing groups by strengthening market links with international furniture buyers and providing limited technical assistance in production and quality control. A market-driven program was utilized to stimulate the changes required for the development of a successful export program within this sector focusing on improved production practices (i.e., moisture control, finishing skills).

Counterparts

Simplemente Madera and El Portal Wood Products Consortiums

Timeframe

July 2004 through February 2005

Activities

After initial visits to furniture producers in Nicaragua, two furniture groups were selected for inclusion in the pilot project. The selection criteria used in determining which companies would participate in the pilot program included: leadership role within the sector, relative export experience, existing quality, interested and committed management, and level of installed capacity. The fact that as many as twelve different companies could participate in the program by working through two “umbrella” companies was also a very attractive feature.

These two furniture groups selected were:

- Simplemente Madera – an association of producers that is formed by 8 different wood furniture manufacturers.
- El Portal, an association of four wood furniture manufacturers.

A major objective of this pilot project was to expose Nicaraguan furniture manufacturers to market trends by allowing them to participate in the High Point Furniture Market in North Carolina in October of 2004. At this important trade fair, managers from these two manufacturing associations were able to directly observe trends in furniture design, world supply patterns, and pricing in meetings with buyer representatives that were carefully selected by CARANA consultants prior to their arrival in High Point. Besides exposing these Nicaraguan producers to important market trends, these meetings also helped to create a greater level of awareness regarding the level of commitment and cooperation required to successfully gain a foothold in the international marketplace.

More importantly, participation in this trade fair led to specific leads with eight different buyers with a significant potential for all Nicaraguan furniture manufacturers. A longer list of additional companies that expressed an interest in evaluating the opportunity of manufacturing in Nicaragua was identified, however, follow-up meetings with other buyers were postponed pending the results of the immediate experience with the eight buyers that provided designs and requested quotes.

Results

Results of this pilot project are very promising. While one of the furniture associations – Simplemente Madera – has been slow in responding with quotes and as a result has yet to generate any positive leads, the second association – El Portal – has aggressively responded to the market opportunities presented at High Point, and has provided a great deal of leadership in the design and implementation of the training programs.

In a press release / article provided by El Portal in La Prensa, the company projected monthly sales of approximately \$80,000, a sales figure which was expected to increase as negotiations with other buyers mature.

Relevant Documents

[A.6.6.11-1 Nicaragua Consultant's Report Wood Furniture.pdf](#)

[A.6.6.11-2 Nicaragua Diagnostic-Recs Wood Furniture.pdf](#)

[A.6.6.11-3 Nicaragua Wood Pilot Summary.pdf](#)

6. Nicaragua

6.12. Pilot Project in the Tourism Sector of Nicaragua

Overview

The Pilot Project in support of the tourism sector was the second of two pilot projects initiated in February of 2004 to provide technical assistance and training to selected enterprises within two priority sectors or “clusters” in Nicaragua. These pilot projects were designed to demonstrate the effectiveness of targeted enterprise level technical assistance as an alternative to implementing a much more comprehensive (and expensive) “cluster strategy” as proposed by the government of Nicaragua. Each pilot project was assigned a maximum budget of \$100,000.

This activity was intended to advise and stimulate the tourism sector in Nicaragua in order to:

- Generate business profits and other benefits to Nicaraguan tourism entrepreneurs.
- Serve as demonstration experiences to current and aspiring Nicaraguan tourism entrepreneurs.
- Provide product development, marketing, deal making and other practical, “on-the-job” business guidance to Nicaraguan tourism entrepreneurs.
- Increase the exposure of Nicaraguan tourism products to the marketplace.

Counterparts

The principal counterpart for this work was the Asociación de Reservas Silvestres Privadas, its members and selected tourism professionals in the country. In carrying out this study, however, the consultants carried out over fifty formal interviews within the country with representatives from relevant public sector tourism entities as well as several private sector sources.

Timeframe

Work on this pilot project took place between July 2004 and February 2005.

Activities

The work in this area was divided into two phases, a diagnostic phase which was conducted in July of 2004, followed by the development and implementation of recommendations, which took place from August of 2004 through February of 2005.

The diagnostic phase considered legal and regulatory issues, organizational structure of the tourism industry in Nicaragua, a review of sector studies and strategic planning for this sector, human resource development, and a review of financial resources available for this sector. The principal recommendation made at the end of this diagnostic phase indicated the development of a small program to support specific tourism sector entrepreneurial initiatives in Nicaragua.

The implementation phase of this project focused on supporting specific tourism activities with the private sector, working through the Asociación de Reservas Silvestres. These initiatives were designed to take advantage of existing programs in Costa Rica and Panama, and were also designed to serve as demonstration pilots and stimulate entrepreneurial initiative.

Specific initiatives included:

- The development of a series of Nicaragua eco-tourism packages which were marketed through ANCON (Panama) and Tico Travel (Costa Rica / Miami).
- The development of joint marketing strategies between ANCON and the Asociación de Reservas Silvestres and Tico Travel and the Association.
- Invitations issued to ten U.S. wholesalers and fifteen repeat ANCON customers to visit Nicaragua on familiarization trips prior to the 2005-6 season.
- Agreement by ANCON to market Nicaragua at four major international eco-tourism trade fairs in 2005.
- ANCON developed a training program for two Nicaraguan naturalists in Panama and agreed to train six more.
- Publication of an article on tourism in Nicaragua in an international tourism magazine.

Results

The project established an important relationship between Nicaraguan eco-tourism operators and two of the most important regional wholesalers operating in Central America. More importantly, these operators are committed to developing ongoing business relationships in Nicaragua, and are investing their own resources to do so.

ANCON and Tico Travel had already begun to generate sales in the region by the end of this pilot project, estimating approximately \$60,000 in sales between October and December of 2004, and projecting \$600,000 in sales for the 2005 – 2006 tourism season based on responses to promotional campaigns initiated in late 2004.

Relevant Documents

[A.6.6.12-1 Nicaragua Final Presentation Tourism.pdf](#)

[A.6.6.12-2 Nicaragua Tourism Pilot Summary.pdf](#)

6. Nicaragua

6.13. Improvement in the Operations of the Nicaraguan National Free Zone Commission

Overview

This initiative was designed to support the National Free Zone Commission (Consejo Nacional de Zonas Francas) developing a series of short term recommendations to improve the operations of the Free Zone / Industrial Park system in the country. The focus of the project was to streamline procedures and in eliminate red-tape. Support was also provided to develop a better organizational structure for the Commission and to develop a management information system to improve the Commission's monitoring and planning capabilities.

Support for this initiative was part of a broader initiative within the Government of Nicaragua and which was supported by USAID under the LAC Trade Project, to reduce and or eliminate barriers to trade.

Counterparts

The principal counterpart for this initiative was the National Free Zone Commission

Timeframe

Work on this initiative was carried out over a ten-week period from mid August to early October of 2005.

Activities

This initiative was made up of four major activities. These were:

- Preparation of a quick diagnostic study to identify major issues in the regulatory and operational environment within the National Free Zone Commission. The diagnostic study was used to develop an action plan for this initiative which was presented and approved by the Board of Directors.
- Identification of "best practices" and development of a set of recommendations to simplify paperwork and eliminate bureaucratic obstacles affecting the efficiency of the free zone system.
- Development of a proposal for better institutional coordination and planning. This component included a recommendation for a reorganization of the Free Zone Commission as well as the design of a management information system to assist in monitoring and planning within the Commission.
- Development of specific recommendations to insure the financial sustainability of the Free Zone Commission in the future.

Results

A strategic planning session was conducted with the Board of Directors of the Commission in September of 2005 to present the initial findings of the diagnostic phase and to discuss possible recommendations and courses of action. The session was used to define the next steps in the consultancy and to focus activities around the four points presented above.

The final report made eleven major recommendations to the Board of Directors, including the need to implement the proposed organization structure presented to the Board, as well as the management information system that was designed and developed under this project.

Relevant Documents

- [A.6.6.13-1 Nicaragua SOW Free Zone Streamlining.pdf](#)
- [A.6.6.13-2 Nicaragua Free Zone Strat Plan Document.pdf](#)
- [A.6.6.13-3 Nicaragua Free Zone Final Presentation.pdf](#)

B. Andean FTA Countries

7. Bolivia

7.1. BOLIVIA – Civil Society Outreach Technical Assistance and FTAA Conference

Overview

CARANA explored the possibility with USAID/Bolivia of launching a Civil Society Outreach Program (CSOP) to coincide with the FTAA negotiations. Initial visits took place during August 2003 to the cities of La Paz and Santa Cruz, resulting in a set of concrete recommendations to USAID/Bolivia on ways to capitalize on a limited speaker program to increase public awareness and key business sector understanding of the FTAA. CARANA sent one speaker, Trade Expert Fernando Clavijo, to Bolivia in September 2003 for a series of conferences and workshops on FTAA-related issues. The program was put on hold shortly thereafter following the political turmoil and change in government.

Counterparts

This activity was carried out in collaboration with USAID/Bolivia, The Vice Ministry of Industry, Trade and Exports, the Chamber of Industry, Trade and Exports of Santa Cruz, the Chamber of Exporters of Santa Cruz (CADEX) and the Bolivian Institute for Foreign Trade (IBCE).

Timeframe

August 2003 – September 2003

Activities

This activity included two principle tasks: an initial exploratory visit by LAC Trade Project Manager Carlos Torres and Deputy Project Manager Bronwen Alsop, and a week of conferences conducted by senior international trade expert Fernando Clavijo.

In August 2003, the CARANA team met with local counterparts in both La Paz and Santa Cruz to better understand the level of public awareness regarding the FTAA and provide USAID with a set of concrete recommendations for furthering a limited speaker program on FTAA-related issues.

In September 2003, CARANA consultant Fernando Clavijo traveled to La Paz, Santa Cruz and Cochabamba. Mr. Clavijo gave a series of presentations to civil society leaders in both business and NGO communities:

Date	Conference
September 15, 2003	La Paz, interviews with press “La Razón”
September 15, 2003	La Paz, conference hosted by the Cámara de Exportadores
September 16, 2003	La Paz, meetings with USAID and Embassy officials
September 17, 2003	Cochabamba, conferences hosted by the Cámara de Comercio de Cochabamba, meetings included NGO and civil society leaders
September 18, 2003	Santa Cruz de la Sierra, conference organized by CAINCO
September 19, 2003	Santa Cruz de la Sierra, conference organized by soy processors and soy producers and the Chamber of Exporters of Santa Cruz (CADEX)

Results

CARANA provided USAID/Bolivia with strategic recommendations to improve a limited speaker program to support a more active dialogue on FTAA-related issues. CARANA consultant Fernando Clavijo engaged key civil society leaders in an intense, 5-day series of conferences and workshops reaching over 200 opinion-leaders in La Paz, Santa Cruz and Cochabamba.

Relevant Documents

[B.7.7.1-1 Bolivia Trip Report Speaker Program.pdf](#)

[B.7.7.1-2 Bolivia Clavijo Presentation.pdf](#)

8. Colombia

8.1. Development of a Civil Society Outreach Strategy for the Government of Colombia

Overview

The FTA negotiations between Colombia, Ecuador, Peru and the United States began on May 18, 2004. CARANA quickly responded to a request by the Government of Colombia to provide technical assistance in the design of a comprehensive Civil Society Outreach strategy. Francisco Chacón, CARANA Consultant and expert in trade negotiations and CSOPs, traveled to Colombia in May and June of 2004 to work with both USAID/Bogotá and the Ministry of Trade and Commerce (MCE) on the conceptualization of a comprehensive, multi-faceted public outreach strategy. Following the initial visit in May and subsequent strategy document, the Government of Colombia quickly adopted CARANA recommendations and appointed a high-level government official to run the civil society outreach program. Mr. Chacón's second visit provided directional assistance to the newly appointed Coordinator, who implemented a very successful, comprehensive CSOP.

Counterparts

CARANA Consultant Francisco Chacón worked directly with USAID/Bogotá, the Colombian Ministry of Trade and Commerce (MCE) and conducted a series of one-on-one interviews with key stakeholders from the public sector, NGO communities, private sector leaders as well as other civil society stakeholders.

Timeframe

The work was primarily conducted in May and June 2004. Because of the urgent nature of this request, coinciding with the launch of active FTA negotiations in the region, this technical assistance was provided with extremely fast turnaround. CARANA fielded expert Consultant Francisco Chacón within a week of the initial request, and provided the Government of Colombia with a draft of the CSOP Strategy within 10 days of the initial visit.

Activities

This assistance included an analysis of the strategic approaches and practical public information-related tools and modalities which can be most effectively applied on the part of the MCE and the Government of Colombia overall in (1) building greater and more accurate public awareness and understanding of the issues entailed in free trade agreements, and the potential impact of the trade liberalization process on social welfare and economic development goals; and (2) creating vibrant and effective civil society feedback mechanisms which contribute effectively to the development of public dialogue and consensus on the trade negotiation/liberalization process. In the latter area, particular focus was placed on strengthening information flows and communications towards key constituencies whose understanding/support will be critical for the successful negotiation/ratification and effective implementation of the FTA.

The effort focused on analyzing and defining the appropriate public outreach strategy towards a spectrum of relevant civil society institutions in order to facilitate the development of a constructive dialogue concerning the implications and prospective benefits of the trade liberalization process. This involved the design and sequencing of a systematic public outreach approach which targets key constituencies, priority trade/investment policy topics and a mix of engagement mechanisms (e.g. general and topic-specific seminars, town hall discussions, speaker visits on key issues/sectors). The public information strategy addressed the role of targeted visits

to neighboring countries designed to share/demystify trade liberalization experiences (e.g. Mexico, Chile). These visits would target groups (e.g. journalists, Congress, business associations) whose understanding of trade liberalization is critical for gaining the support required for passage and effective implementation of any agreement. CARANA subsequently sponsored these visits under the LAC Trade mechanism throughout 2004 and 2005.

Finally, the analysis focused on the optimal institutional configuration of an effective public outreach strategy; including the role of the MCE and related public sector institutions, and how these can most effectively interface with critical civil society interlocutor groups. Specifically, CARANA recommended the appointment of a high-level official exclusively dedicated to managing this important activity for the Government of Colombia throughout the negotiation and ratification phases of the FTA.

Results

CARANA provided the Government of Colombia with a comprehensive and appropriately sequenced public outreach strategy document (39 pp.) that addressed in detail each of the major strategy formulation items discussed above. This strategy was well received by MCE and provided sound technical guidance to support the appointment of a high-level government official. CARANA Consultant Francisco Chacon was invited back to sit down with the new head of public outreach for the MCE and provide additional guidance and more detailed strategic advice on overcoming implementation challenges.

Relevant Documents

[B.8.8.1-1 Colombia CSOP Trip Report.pdf](#)

[B.8.8.1-2 Colombia CSOP Strategy.pdf](#)

Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA
June 2004 – March 2005

8. COLOMBIA

8.2. Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA

Overview

The FTA negotiations between Colombia, Ecuador, Peru and the United States began on May 18, 2004. In support of the government's Civil Society initiative, USAID/Colombia requested CARANA assistance in organizing a series of "trade visits" focused on getting key Colombians from government, the private sector, the media, and agriculture to Mexico to learn how Mexico has benefited from free trade under NAFTA. A series of high-level visits were coordinated throughout 2004 and 2005 to build awareness and understanding of the opportunities and challenges of NAFTA and lessons learned for future FTAs. Each visit included a small group of designated individuals (identified by USAID/Colombia and the Government of Colombia) within the private and public sectors. All of these visits included touching base with various Government of Mexico trade agencies, representatives of the Mexican Legislature, industrial associations, and select businesses that have expanded exports and employment. CARANA managed all aspects of the visits, from administrative and logistical issues, to strategic considerations and ultimate management of the thematic agenda.

Counterparts

CARANA worked in close coordination with USAID/LAC, USAID/Colombia, the Mexican Ministry of Foreign Relations, the Colombian Ministry of Trade, Industry and Tourism (Ministerio de Comercio Industria y Turismo), and an exhaustive list of organizations intimately involved in these issues:

Fact-Finding Mission	Counterpart Organizations
Colombian Congressional Delegation – Mexico <i>June 27 – July 1, 2004</i>	<ul style="list-style-type: none"> • Museo de Antropología • Embassy of Colombia in Mexico • PRI • Comisión de Trabajo y Previsión Social del Senado de la Republica • Comisión de Comercio y Fomento Industrial del Senado de la Republica • Secretaria de Economía (SE) • Centro de Investigación y Docencia Económica • Comisión de Relaciones Exteriores de la Cámara de Diputados • Comisión de Relaciones Exteriores para América del Norte, Senado • Comisión de Relaciones Exteriores para América Latina y el Caribe, Senado • Comisión de Agricultura, Senado • SAGARPA (Secretaria de Agricultura) • LatinSource Mexico • Secretaría de Salud • Secretaría de Relaciones Exteriores (SRE) • ATT/Alestra
Colombian Journalist Delegation – Mexico <i>September 21 – October 1, 2004</i>	<ul style="list-style-type: none"> • Museo de Antropología • Embajada de Colombia • HSBC • Secretaría de Relaciones Exteriores • Centro de Investigación y Docencia Económica • Secretaría de Salud • Consejo Mexicano de Comercio Exterior, Inversión y Tecnología • SAGARPA (Secretaría de Agricultura) Secretaría de Comunicaciones y Transportes • TELMEX

Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA

June 2004 – March 2005

Fact-Finding Mission	Counterpart Organizations
	<ul style="list-style-type: none"> • Alestra (AT&T) • Agros
Colombian Agriculture Delegation – Mexico <i>February 20 – 25, 2005</i>	<ul style="list-style-type: none"> • Museo de Antropología • Embajada de Colombia • HSBC • Secretaría de Relaciones Exteriores • Centro de Investigación y Docencia Económica • Facultad Latinoamericana de Ciencias Sociales – FLACSO • IMCO – Instituto Mexicano de la Competitividad • Consejo Nacional Agropecuario – CNA • APEAM (Abogado) • EMG (Livestock) • FOGAMEX – Asociación de productores de Ganado • AGROS – Empresa Agrícola, productora de tomates • Instituto Interamericano de Cooperación para la Agricultura – IICA • Banco Nacional de Comercio Exterior (BANCOMEXT) • Fideicomisos Instituidos en Relación con la Agricultura (FIRA) • Consejo Mexicano de Comercio Exterior, Inversión y Tecnología • Secretaría de Economía • SAGARPA
Colombian SME Delegation – Mexico <i>March 2 – 11, 2005</i>	<ul style="list-style-type: none"> • Museo de Antropología • Embajada de Colombia • HSBC • Facultad Latinoamericana de Ciencias Sociales – FLACSO • Centro de Investigación y Docencia Económica • De la Calle, Madrazo, Mancera • APEAM (Abogado) • RENAP – Red Nacional de Articulación Productiva • CANACINTRA • CIATEQ • CIDESI • BANCOMEXT • Secretaría de Economía • AGROS

Timeframe

The fact-finding missions took place in June - July 2004, September - October 2004, and February - March 2005. For each of these comprehensive visits, CARANA typically had less than 5 weeks to arrange for all travel, logistics, and agenda-building.

Activities

Fact-Finding Mission	Abbreviated List of Meetings
Colombian Congressional Delegation – Mexico <i>June 27 – July 1, 2004</i> <u>Delegates</u> <ul style="list-style-type: none"> • Jairo Clopatofsky • Oscar Ivan Zuluaga • Rafael Amador • Sergio Diazgranados • Santiago Castro • Adriana Gutierrez • Nancy Patricia Gutierrez • Emilio Otero • Andres de la Cadena • Manuel Ramiro Velazquez • Jose Triviño (Ministro Consejero, 	<ul style="list-style-type: none"> • Museo de Antropología • Embassy of Colombia in Mexico, Ambassador Luis Giraldo • PRI, Mr. Samuel Aguilar, Coordinador de Asuntos Internacionales • Comisión de Trabajo y Previsión Social del Senado de la Republica, Senator Netzhualcoyotl de la Vega • Comisión de Comercio y Fomento Industrial del Senado de la Republica, Senator Humberto Roque Villanueva • Secretaría de Economía (SE), Fernando de Mateo, Jefe de la Unidad de Coordinación de Negociaciones Internacionales. Ricardo Ramirez, Chief Legal Counsel • Centro de Investigación y Docencia Económica, Dr. Antonio Ortiz Mena • Comisión de Relaciones Exteriores de la Cámara de Diputados, Dip. Adriana Gonzalez, Presidente • Comisión de Relaciones Exteriores para América del Norte, Senado • Comisión de Relaciones Exteriores para América Latina y el

Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA

June 2004 – March 2005

Fact-Finding Mission	Abbreviated List of Meetings
<p><i>Colombian Embassy</i></p> <ul style="list-style-type: none"> <i>Gloria Tavares (Tercer Secretario Asuntos Diplomaticos, Colombian Embassy)</i> <p><u>USG</u></p> <ul style="list-style-type: none"> <i>Brian Walch</i> 	<ul style="list-style-type: none"> Caribe, Senado Comisión de Agricultura, Senado SAGARPA (Secretaría de Agricultura), Ing. Francisco Lopez Tostado, Subsecretario de Agricultura; Lic. Graciela Aguilar Antuñano, Coordinadora de la Unidad de Negociaciones Comerciales Internacionales; Ing. Luciano Vidal Garcia, Coordinador de Asesores de la Subsecretaría de Agricultura LatinSource Mexico, Dr. Jonathan Heath Secretaría de Salud, Lic. Ernesto Enriquez, Comisionado Federal para la Protección contra Riesgos Sanitarios; Dr. Guillermo Solomon Santibañez, Comisionado de Autorización Sanitaria; Lic. Mauricio Bailon, Director General de Relaciones Internacionales Secretaría de Relaciones Exteriores (SRE), Mr. Aldo Flores, Director General de Relaciones Económicas Bilaterales ATT/Alestra, Mr. Raul Ortega
<p>Colombian Journalist Delegation – Mexico <i>September 21 – October 1, 2004</i></p>	<ul style="list-style-type: none"> Museo de Antropología, Marcela Calderón Embajada de Colombia, Dr. Luis Guillermo Giraldo, Embajador HSBC, Dr. Jonathan Heath, Director de Investigación y Jefe de Economistas, Roy Caple, Director Ejecutivo de Asuntos Públicos Secretaría de Relaciones Exteriores, Srta. Landy Edith Esquivel Cordero, Jefe de Departamento para Colombia, Ecuador y Venezuela, Dr. Salvador de Lara Rangel, Director General de Organizaciones Económicas Regionales y Multilaterales, Adriana Mercado Ruiz, Subdirectora de Asuntos Económicos y Financieros, Ligia Cervantes, Jefa de Departamento de Negociaciones Económicas, Nayeli Damian, Jefa de Departamento para el Unión Europea y Organismos Regionales Centro de Investigación y Docencia Económica, Dr. Antonio Ortiz Mena, Director de Estudios Internacionales, Dr. Juan Manuel Torres, División de Economía y especialista en Agricultura, Dr. Fausto Hernández Trillo, División de Economía y especialista en el Sector Financiero, Dr. Alejandro Posadas, División de Economía y especialista en Propiedad Intelectual y Solución de Controversias Secretaría de Salud, Dr. Guillermo Alberto Solómon Santibañez, Encargado de la Comisión de Autorización Sanitaria, Dr. Alfonso Caso, Director de la Comisión de Fomento Sanitario, Lic. Diana Turner Barragán, Gerente de Difusión e Información. Consejo Mexicano de Comercio Exterior, Inversión y Tecnología, Sr. Arnulfo Gómez SAGARPA (Secretaría de Agricultura), Lic. Graciela Aguilar. Coordinadora Estudios Sector Agroalimentario y Apoyo a Negociaciones Internacionales. Lic. Adriana Herrera. Dir. de Apoyo a las Negociaciones Comerciales Internacionales, Ing. Javier Calderón. Dir. de Estudios Económicos del Sector Agroalimentario Meetings with Press, Adriana Delgado – TV Azteca, Sergio Sarmiento – TV Azteca, Luis E. Mercado, Director General, El Economista Secretaría de Comunicaciones y Transportes, Lic. Antonio Lozada Bautista, Director General de Regulación Técnica Operativa del Transporte Ferroviario, Ing. José Luis Erazo Cano, Director General de Sistemas Intermodales, Ing. Oscar Cruz Ruiz, Director General Adjunto de Planeación y Desarrollo Daniel Devesa (Director de Proyectos) TELMEX, Lic. Francisco Javier Ramírez Alvarado, Asesoría Regulatoria, Concepción Rivera Romero, Dirección de Alianzas Estratégicas y Relaciones Institucionales Sr. Fernando Antillon, Ex Ejecutivo de la Secretaría de Comunicaciones y Transportes; ex Director de Aeronáutica Civil. Programas de Inversión en Infraestructura Alestra (AT&T), Dr. Raúl Ortega

Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA

June 2004 – March 2005

Fact-Finding Mission	Abbreviated List of Meetings
<p>Colombian Agriculture Delegation – Mexico February 20 – 25, 2005</p> <p><u>Delegates</u></p> <ul style="list-style-type: none"> • Martha Consuelo Carreño, Sociedad de Agricultores de Colombia, SAC • Carlos Rico, ASOHOFRUCOL • Lilia Consuelo Velasco, ASOPORCICULTORES • Luis Fernando Jaramillo, COAGRO • Alfonso Vieira Gutiérrez, TEAM • Francisco Augusto Del Valle, FEDEPAPA • Diego Marulanda Pabón, Asociación Nacional de Productores de Leche • Juan Alcides Santaella, ICA – Instituto Colombiano Agropecuario • Luis Eduardo Quintero Lea, FENALCE • Fernando Leyva, Federación de Ganaderos de Colombia • José Vicente Irurita, PROCAÑA • José Luis Cárdenas Guzmán, PROTABACO • Maria Ana Saboya Torres, Ministerio de Comercio Industria y Turismo • Luis Jaime González, FEDEPALMA 	<ul style="list-style-type: none"> • Agros, Lic. Fernando Camacho, Dr. Mario Steta • Museo de Antropología, Marcela Calderón • Embajada de Colombia, Dr. Luis Guillermo Giraldo, Embajador • HSBC, Dr. Jonathan Heath, Director de Investigación y Jefe de Economistas • Facultad Latinoamericana de Ciencias Sociales – FLACSO, Dra. Alicia Puyana Mutis y Pablo Ruiz Nápoles • IMCO – Instituto Mexicano de la Competitividad, Dr. Roberto Newell, Dr. Francisco Fernández y Dr. Armando Chacon • Consejo Nacional Agropecuario – CNA, Miguel Ángel García Paredes – Director General • APEAM (Abogado), Sr. Benjamín Grayeb Ruiz, President • EMG (Livestock), Sr. Enrique López, President • FOGAMEX – Asociación de productores de Ganado, Sr. Hugo Barragán - President • AGROS – Empresa Agrícola, productora de tomates, Sr. Mario Steta; Sr. Fernando Camacho • Sr. Fernando Antillon, Ex Ejecutivo de la Secretaría de Comunicaciones y Transportes; ex Director de Aeronáutica Civil. Programas de Inversión en Infraestructura • Instituto Interamericano de Cooperación para la Agricultura – IICA, Edgardo Moscardi Carrara, Director para México, Gloria Abraham, Rafael Echeverri • Andrés Rosenzweig, Consultor en Políticas Agrícolas y Comercio Exterior Agro-alimentario • Banco Nacional de Comercio Exterior (BANCOMEXT), Javier Juseppe Camarg. • Fideicomisos Instituidos en Relación con la Agricultura (FIRA), Carlos Budar, Director General Adjunto de Finanzas y Administración de Riesgo • Consejo Mexicano de Comercio Exterior, Inversión y Tecnología, – Arnulfo Gómez, Asesor del Presidente • Secretaría de Economía, Lic. José Manuel Vargas, Director General Adjunto de Procedimientos Jurídicos, Lic. Luis Fernando Vásquez Olivera, Director de Evaluación, el Lic. Víctor Manuel Mancilla Bustamante, Subdirector de Normalización. Dirección General de Normas y con el Lic. Carlos R. Berzunza, Director de Normalización, Dirección General de Normas. • SAGARPA, Lic. Graciela Aguilar, Coordinadora General de Estudios del Sector Agropecuario y Apoyo a Negociaciones Comerciales Internacionales. ASERCA, Ing. Hugo Sanchez. Subsecretaría de Agricultura. Pero Trujillo Flores, Instituto Mexicano de Normalización y Certificación, Ing. Rene Hernández de la Dirección General de Sanidad Vegetal. SENASICA
<p>Colombian SME Delegation – Mexico March 2 – 11, 2005</p> <p><u>Delegates</u></p> <ul style="list-style-type: none"> • Marcos Rodrigo Echavarria Soto • Juan Carlos Aranguren Jiménez • Gustavo Sepulveda Villamizar • Santos Camacho • Diego Muñoz Toro • Gustavo Alberto Escobar Pérez • Alberto Corredor Gonzáles • Juan Humberto Araque Carrillo • Danilo Hernán De Jesús Argüello 	<ul style="list-style-type: none"> • Museo de Antropología, Marcela Calderón • Embajada de Colombia, Dr. Luis Guillermo Giraldo, Embajador • HSBC, Dr. Jonathan Heath, Director de Investigación y Jefe de Economistas • Facultad Latinoamericana de Ciencias Sociales – FLACSO, Dr. Jerry Haar, Profesor de Florida International University, Sr. Fernando Antillon: Inversiones en Aeropuertos, Carreteras, Ferrocarriles y Puertos, Dra. Mónica Casalet, Profesora del FLACSO • Centro de Investigación y Docencia Económica, Dr. Antonio Ortiz Mena, Director de Estudios Internacionales • De la Calle, Madrazo, Mancera, Luis de la Calle – ex-Subsecretario de Negociaciones Comerciales Internacionales; ex-Director Ejecutivo de la Comisión Intersecretarial contra la Piratería; ex-Ministro para Asuntos Comerciales.

Civil Society Outreach Program for the Government of Colombia: Series of Fact-Finding Missions to Mexico on Lessons Learned from NAFTA

June 2004 – March 2005

Fact-Finding Mission	Abbreviated List of Meetings
<p><i>Acero</i></p> <ul style="list-style-type: none"> • <i>Luis Carlos Romero Silva</i> • <i>Álvaro Quiñonez Jaramillo</i> 	<ul style="list-style-type: none"> • Secretaria de Relaciones Exteriores • APEAM (Abogado), Sr. Benjamín Grayeb Ruiz, President • RENAP – Red Nacional de Articulación Productiva, Alfonso Flores, President, Jose Luis Oliva, Oscar Anaya (CANACINTRA) • Secretaria de Desarrollo Sustentable del Estado, Fernando Curiel - CIATEQ – Centro de Tecnología Avanzada, Lic. Jose Juvenino Morales Sosa - CIDESI • BANCOMEXT, Lic. José Luis Rangel, Director del Centro Empresarial México-Unión Europea. Programa Integral de Apoyo para las Pequeñas y Medianas Empresas, Lic. José Angel Santamarina. Director de Promoción Internacional para Latinoamérica y el Caribe • Secretaría de Economía, Lic. María Antonieta Camacho, Directora de Desarrollo Sectorial. Lic. Pablo Oseguera. • AGROS – Empresa Agrícola, productora de tomates, Sr. Mario Steta; Sr. Fernando Camacho

Results

CARANA successfully managed this series of fact-finding missions to Mexico, among the most comprehensive FTA study tours designed and with unprecedented access to leading Mexican authorities on the subject of key lessons learned under NAFTA. All program participants gave positive feedback to USAID on the value of these trips, as evidenced by press coverage and extended invitations to select speakers for follow-up conferences in Colombia on topics discussed during the trips.

Relevant Documents

[B.8.8.2-1 Colombia Legislators Mexico Visit trip report.pdf](#)

[B.8.8.2-2 Colombia Journalists Mexico Visit trip report.pdf](#)

[B.8.8.2-3 Colombia SME Mexico Visit final agenda.pdf](#)

8. COLOMBIA

8.3. Private Sector SME Certification Project for the Government of Colombia

Overview

In August 2005, USAID/Bogotá requested assistance under LAC Trade I in implementing an SME certification project with the Government of Colombia. CARANA quickly responded to this technical assistance request, and in September, Project Manager Carlos Torres traveled to Bogotá to further discuss the initiative and define the scope of work and budget for approval.

In October 2005, CARANA launched the Private Sector Certification Project (PSCP), designed to support the implementation of key industry norms and standards in enterprises in several well developed sectors in Colombia. Specifically, the project will provide technical assistance and training to 30 SMEs in Colombia, of which at least 80% will be located outside of Bogotá, in preparing for and obtaining certifications of key norms and standards identified by the Government of Colombia. The project will also train 25 national consultants in these norms and standards, who in turn will provide a large portion of the technical assist to the targeted SMEs.

The norms and standards that are being focused on in this project are:

- **CMMI (Capability Maturity Model Integration):** a certification for software development companies looking to bring discipline to the process of developing software systems.
- **HACCP (Hazard Analysis and Critical Control Point):** certification program on food safety, critical for food industry exports to the United States.

Counterparts

The PSCP will be implemented by two contractors: TSG through the Colombia Productiva Project, and CARANA Corporation through the Washington based LAC Trade Project. The companies receiving assistance will also contribute to the funding of this project, and the Government of Colombia, through PROEXPORT will also play a role. The primary responsibilities for each of these parties are described below:

- **TSG - Colombia Productiva:** TSG, though its Colombia Productiva Project will be in charge of the overall leadership on the project, coordinating with CARANA Corporation and the Government of Colombia, and with USAID. Specifically, TSG will be in charge of identifying and paying for the international consultants that will train the local consultants on the selected norms and standards, and coordinating and paying for the training itself. The Colombia Productiva Project will also coordinate with the certifying body and the international consultants on the inspection of the companies that are ready for certification. These international consultants will also provide technical supervision to the local consultants assisting companies in preparing for certification. TSG will also participate in the selection of companies to be assisted, and in the selection of the consultants to be trained under the PSCP.
- **CARANA Corporation:** The CARANA Corporation - LAC Trade Project will be responsible for managing the local consultants hired for the PSCP, and will participate actively in the selection of these consultants. CARANA will negotiate, sign and administer the contracts with the local consultants. It is anticipated that CARANA will be paying for 50% of the consultant's time required to provide technical assistance and training to the selected companies preparing for certification. CARANA will also pay for the costs associated with supervising those consultants (project manager, and his/her

related travel and ODC costs). In order to do this on a more cost effective basis, CARANA's LAC Trade Project will receive the support of the CED project also being implemented by CARANA in Colombia through August of 2006. The CED project will provide back office and administrative support to the PSCP, and also has access to consultants across the country as well as a strong relationship with SMEs in Colombia that may be tapped for the PSCP. CARANA Corporation will also participate in the selection of the companies that will receive technical assistance under this project.

- **The Government of Colombia:** The GOC through PROEXPORT will provide input to this project, helping to select the norms and standards on which the PSCP should focus, the consultants to be trained, as well as the SMEs to be assisted.
- **SMEs:** These enterprises will be responsible for paying the other 50% of the local consultant's time dedicated to their enterprise, 100% of the consultants' Other Direct Costs (if any), as well as the actual cost of the certification. With the exception of the CMMI certifications where a different implementation process has been proposed, the enterprises will also be responsible for soliciting and paying for their certifications. Ultimately, the SMEs are responsible for implementing the recommendations / requirements in order to be certified.

Timeframe

TSG's staff believes that this component of the PSCP can be implemented in one year or less, and has in fact, already begun working on this initiative. CARANA has received authorization to work on this project using the LAC Trade contract through September 30, 2006, subject to the funding limitations discussed in the next section.

The fact that the CARANA – CED project ends in August of 2006 may present a problem for the LAC Trade Project in that this will most probably increase the costs of the PSCP implemented by LAC Trade after that date if the program is still operating.

Activities

The project will require a project manager who has been budgeted for a twelve-month period. CARANA moved quickly to hire Consultant Victor Palacios who began work on this project on October 27, 2005.

Under this project, work will be performed in the following two principle certification areas:

- **CMMI:** Ten companies will be assisted in this area, of which CARANA will only be responsible for six of them. In this case, each of the selected enterprises will pay PROEXPORT approximately \$25,000, which will cover 50% of the local consultant costs, ODCs, certification costs, and travel costs associated with the international consultants. TSG estimates that each company will require 48 days of technical assistance and training, and as a result, CARANA will pay for 50% of the needs of six of these companies for a total of 144 days. The consultant daily rate is estimated at \$281.82 (negotiated by PROEXPORT) which translates into a project cost of \$563.64 after applying the multiplier of 2.0 as specified under the contract.
- **HACCP:** A total of twenty companies are targeted for this area. The level of effort for each company is estimated at 24 days per company, of which the LAC Trade Project would pay for 50% (240 days). A daily rate of \$181.83 is used which assumes

concessions from the consultants on their daily rates in return for the training and supervision that they will receive in this area.

Results

As CARANA has just initiated this project in October 2005, results are anticipated in summer of 2006.

Relevant Documents

[B.8.8.3-1 Colombia SOW Certification Project.pdf](#)

9. Ecuador

9.1. Development of a Civil Society Outreach Strategy for the Government of Ecuador

Overview

The FTA negotiations between Colombia, Ecuador, Peru and the United States began on May 18, 2004. Shortly after receiving a similar request from the Government of Colombia, CARANA also received a request by the Government of Ecuador to provide technical assistance in the design of a comprehensive Civil Society Outreach strategy. Francisco Chacón, CARANA Consultant and expert in trade negotiations and CSOPs, traveled to Ecuador in June and July of 2004 to work with both USAID/Ecuador and the Ministry of Industry and Commerce (MICIP) on the conceptualization of a comprehensive, multi-faceted public outreach strategy. A draft strategy was provided to the Government in June, and after receiving feedback on the draft, a revised final was provided to the Government in July.

Counterparts

The Ministry of Industry and Commerce (MICIP) in Ecuador

Timeframe

June and July of 2004

Activities

The activity consisted of an initial diagnostic analysis of the situation in Ecuador, which was carried out by CARANA consultant Francisco Chacón. Based on that analysis, Mr. Chacón prepared a draft strategy which was presented to the Government in June of 2004. After a careful review by the negotiating team and Ministry officials, Mr. Chacón was provided with feedback which led to the development of a revised final strategy submitted in July of 2004.

Results

The strategy document made some important recommendations to the Government regarding the implementation of a Civil Society Program. After some debate, the Government did implement many of the recommendations, including the naming of a high level government official to lead the civil society outreach effort. Under the LAC Trade Project, CARANA also provided extensive support to the implementation of this project, as discussed in the subsequent sections of this Annex.

Relevant Documents

[B.9.9.1-1 Ecuador CSOP Strategy.pdf](#)

**Support to the Government of Ecuador in their Civil Society Outreach Program
Concurrent to the Andean FTA Negotiations**

October 2004 – February 2005

9. Ecuador

**9.2. Support to the Government of Ecuador in their Civil Society Outreach Program
Concurrent to the Andean FTA Negotiations**

Overview

At the request of the Government of Ecuador, CARANA sent Consultant Francisco Chacón and LAC Trade Deputy Project Manager David Schacht to Quito in early June 2004 to assess the need for a civil society outreach program as Ecuador proceeded in negotiations with the U.S. on the FTA. The initial result of the visit, a comprehensive civil society outreach strategy for the Negotiating Commission, was very well received. The government delayed implementing the most important recommendation, however, and did not name a high-level government official to lead the effort.

CARANA reacted quickly to the request for support in implementing the comprehensive Civil Society Outreach Program. From October 2004 to February 2005, CARANA worked closely with USAID/Quito and Proyecto SALTO, to lead the design and implementation of a CSOP that included outreach events, international speaker series, creation and maintenance of the FTA website, publication of relevant FTA material, support for the government's public education campaign, monitoring and application of public opinion surveys and an education program tailored to the Ecuadorian Congress.

Counterparts

This activity was carried out in close collaboration with Ministry of Industry, Trade and Fishing (MICIP) and specifically with the newly formed Information Dissemination Unit within the negotiating commission of MICIP (Unidad de Información and Divulgación del TLC). Through the numerous outreach events and extensive activities of this project, CARANA and USAID/Quito developed outstanding relationships with over 300 organizations.

Timeframe

October 2004 – February 2005

Activities

In October 2004, at CARANA's suggestion, the Government of Ecuador created the Information and Dissemination Unit for the FTA (Unidad de Información y Divulgación del TLC – UID) within the existing structure of the Trade Ministry (MICIP). CARANA's Civil Society Outreach Program (CSOP) was positioned under the LAC Trade II contract to support this entity and its technical assistance needs.

The primary objectives of the CSOP were:

1. To train and inform a minimum of 3,000 people on the general scope and nature of the FTA through approximately 60 workshops across the interior of Ecuador.
2. To provide international experts to discuss important aspects of FTA negotiations with key Ecuadorian counterparts.
3. To assist the MICIP in creating and supporting its website as the official communication channel of the Government with Civil Society.
4. To support publication of objective materials related to the FTA
5. To design and support a public education campaign.

**Support to the Government of Ecuador in their Civil Society Outreach Program
Concurrent to the Andean FTA Negotiations**

October 2004 – February 2005

6. To design and implement public opinion surveys at the national level to monitor civil society perspectives and perceptions regarding the FTA.
7. To establish a specific education program design for the Ecuadorian Congress.

From October 2004 to February 2005, the CARANA team conducted over 300 workshops on the opportunities and challenges of the FTA. These workshops were conducted across the following provinces and cantons, reaching indigenous organizations, women's organizations, agricultural producer groups, manufacturing groups, municipal governments, universities and high schools, NGOs and media organizations:

Province	Cantons Covered with Conferences		Number of Participants
Azuay	Cuenca Santa Isabel	Cordeleg	277
Bolivar	Guaranda Chimbo San Miguel Chillanes	Echeandía Caluma Las Naves	694
Cañar	Azogues Cañar Biblián	La Troncal El Tambo	268
Carchi	Tulcán		860
Chimborazo	Chambo Riobamba	Guano Guamote	1617
Cotopaxi	Latacunga Pujilí	Saquisilí	826
El Oro	Machala Arenillas El Guabo Pasaje Piñas	Santa Rosa Zaruma Portovelo Balsas	1,078
Esmeraldas	Esmeraldas	Rio Verde	180
Guayas	Guayaquil Milagro	Salinas La Libertad	994
Imbabura	Ibarra	Otavalo	230
Loja	Catamayo	Loja	757
Los Rios	Vinces Quevedo	Palenque	393
Manabí	Portoviejo Manta Rocafuerte	Santa Ana San Vicente Pedernales	1,665
Morona Santiago	Morona		58
Napo	Tena	Archidona	268
Orellana	Fco. De Orellana		433
Pastaza	Puyo		847
Pichincha	Quito Cayambe	Santo Domingo	973
Sucumbíos	Lagrio Agrio		116
Tungurahua	Ambato Pelileo	Baños	684
Zamora Chinchipe	Zamora		714
			14,534

Results

This was the most ambitious and comprehensive Civil Society Outreach Program supported by USAID in both the Andean FTA and CAFTA negotiations.

**Support to the Government of Ecuador in their Civil Society Outreach Program
Concurrent to the Andean FTA Negotiations**

October 2004 – February 2005

Specific results achieved in this four-month project include:

1. 14,534 Ecuadorians have participated in workshops informing them of the FTA negotiation process and goals, through 216 workshops in 77 cantons of the 21 provinces in Ecuador, surpassing the original objective by approximately 500%.
2. Twenty-five (25) workshops have been held with international experts in international trade, agriculture, intellectual property and rule of law, representing approximately 7,000 participants. Many of these participants are recognized leaders in their respective fields. These workshops were also leveraged through multiple media interviews in the press, radio and television. The speakers brought to Ecuador under this program included Dr. Ricardo Monge and Mr. Francisco Chacón.
3. The project created and maintains the Web page WWW.TLC.GOV.EC, which has seen over 20,000 hits since its creation in October 2004.
4. The project has supported the creation of the following published material: “100 Frequently Asked Questions on the FTA”, with two editions and approximately 25,000 copies printed each; and “Map of the FTA” which details the process of FTA negotiations and has been shared in numerous workshops and conferences.
5. The project designed the national radio campaign “Opportunities and Challenges of an FTA” that was aired through 178 community radio stations – with a total of 12,431 radio spots.
6. The project contracted DATUM of Perú, under the regional USAID project (Creceer) to conduct a series of surveys demonstrating as of the 15th of December that 52% of the population was aware of the FTA and 48% were in favor of its ratification (vs. 16% awareness at the beginning of the 2004).
7. In October 2004, the project launched an initiative with an Ecuadorian think-tank CORDES (Corporación de Estudios para el Desarrollo), to conduct a series of education initiatives with members of the Ecuadorian Congress on issues related to the FTA.

Relevant Documents

[B.9.9.2-1 Ecuador CSOP Memo 09-2004.pdf](#)

[B.9.9.2-2 Ecuador CSOP Final Report.pdf](#)

Strategic Advisory Support to the Government of Ecuador in their Continued Civil Society Outreach Program, Phase II

August 2005 – December 2005

9. Ecuador

9.3. Strategic Advisory Support to the Government of Ecuador in their Continued Civil Society Outreach Program, Phase II

Overview

In August 2005, the Government of Ecuador (GOE) asked for USAID's assistance with its current civil society outreach strategy to coincide with the conclusion of the Andean FTA negotiations and subsequent efforts toward ratification. Specifically, the GOE asked if it would be possible to count on interim strategic advice from CARANA Consultant Francisco Chacón, author of the original CSOP strategy for the previous government (2004).

Counterparts

The principle counterpart for this activity is the Negotiating Commission for the FTA and the FTA Information Dissemination Unit (Unidad de Información y Divulgación del TLC) in the Ministry for Trade, Industry and Fishing (MICIP).

Timeframe

This activity was initiated in August 2005 and is estimated to continue through the end of the LAC Trade I contract and rollover into the LAC Trade III contract in January 2006.

Activities

CARANA Consultant Francisco Chacón traveled to Quito, Ecuador in August 2005 to meet with the Government of Ecuador and review their current CSOP strategy and provide recommendations for improvement.

Results

Mr. Chacon provided strategic guidance to help ensure effective implementation of the CSOP and its alignment to GOE strategies and goals. Specifically, CARANA submitted Mr. Chacon's written assessment of the strategy and is currently waiting to schedule a follow-up visit. The GOE counterparts cancelled the 2nd scheduled visit in October 2005 due to scheduling conflicts.

Relevant Documents

[B.9.9.3-1 Ecuador CSOP Observations 09-2004.pdf](#)

Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities

May 2003 – October 2004

C. MERCOSUR Countries

10. Brazil

10.1. Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities

Overview

Brazil represents an important market for the United States; hence Brazil's commitment to establishing the Free Trade Area of the Americas (FTAA) is considered key to the U.S. successfully negotiating the establishment of the FTAA. It is clear that Brazil will be paying very close attention to the key issue of how free trade (trade liberalization) under the FTAA will impact on economic growth and poverty reduction in a country where more than 50 million live in poverty.

In 2003, USAID/Brazil proposed a new Economic Growth Strategic Objective (SO) focused on trade-led employment generation. Accordingly, LAC/RSD coordinated with USAID/Brazil to provide core funding and interim support under the LAC Trade "Rapid Response" contract to assist the Mission in beginning to implement its new SO.

Specifically, USAID/Brazil asked CARANA to support a series of conferences on FTAA and Free Trade themes in secondary cities throughout Brazil in 2003 and 2004. These conferences are in line with USAID/Brazil's Strategic Objective 11 for FY 2003-2008 and LAC/RSD's SO 17 ("Enabling Environment for Market Access Strengthened").

CARANA supported a series of "FTAA Outreach Events" (of approximately one-day duration) in key Brazilian cities (Belem, Curitiba, Florianopolis, Fortaleza, Porto Alegre, Recife, and Salvador). To the maximum extent feasible, these events were designed to foster the constructive participation of Brazilians who participated in the "Mexico/NAFTA Trade Visits." These events included speakers from Mexico, Chile, the U.S., and Canada as well as Brazil. The specific purpose of these events was to provide Brazilian experts and trade leaders a forum to debate issues related to free trade and to provide a venue for open discussion concerning the expansion of free trade in Brazil.

Counterparts

CARANA worked in close coordination with USAID/Brazil and the following federations of industry and commerce in Brazil:

SEBRAE (Serviço Brasileiro de Apoio às Micro e Pequenas Empresas)
FIEPA (Federação das Indústrias do Estado do Pará)
FIERGS (Federação das Indústrias do Estado do Rio Grande do Sul)
FIEC (Federação das Indústrias do Estado do Ceará)
FIEB (Federação das Indústrias do Estado da Bahia)
FIEPE (Federação das Indústrias do Estado de Pernambuco)
FIEPR (Federação das Indústrias do Estado do Paraná)
FIESC (Federação das Indústrias do Estado de Santa Catarina)
AmCham Bahia

Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities

May 2003 – October 2004

Timeframe

These events were held intermittently from May 2003 to October 2004.

Activities

CARANA worked closely with Brazilian Counterparts, USAID/Brazil and, where appropriate, the Mexican General Consulate in Sao Paulo to put together the following comprehensive conferences on FTAA and Free Trade-related topics:

EVENT <u>Counterpart Institution</u> <u>City, Date</u>	Speakers <u>Themes Covered</u>
DISCUSSAO SOBRE ALCA: UMA VISAO INTERNACIONAL <u>AmCham Bahia</u> Salvador, Bahia May 28, 2003	Ambassador Luís Lauredo Executive Director of the FTAA Ministerial Meeting in Miami, November 2003 “ALCA/Forum das Américas – De Visão a Realidade” Professor Rafael Fernandez de Castro Instituto Tecnológico Autônomo do México - ITAM (Cidade do Mexico) “Efeitos Colaterais do NAFTA nas Relações México–Estados Unidos; Comentários sobre a Indústria Automotiva” Professor Thomas A. O’Keefe George Washington University “O Impacto do Livre Comércio nas Pequenas Empresas” Dra. Graciela Aguilar Director of Agricultural Planning and Research, Ministry of Environment, Mexico “O Impacto do NAFTA no Setor Agrícola Mexicano”
DISCUSSAO SOBRE ALCA: UMA VISAO INTERNACIONAL <u>Federação das Indústrias do Estado do Ceará (FIEC)</u> Fortaleza, Ceará August 19, 2003	Ambassador Luís Lauredo Executive Director of the FTAA Ministerial Meeting in Miami, November 2003 “ALCA/Forum das Américas – De Visão a Realidade” Dr. Jonathan Heath Chief Economist, LatinSource Mexico “Impactos Macroeconômicos de la Apertura Comercial y el Acuerdo de Libre Comercio en México” Sandra Rios Coordinator of International Trade Integration Unit, National Confederation of Industry, Brazil “A ALCA na Visão da Coalizão Empresarial Brasileira” Sergio Melo National Director for the Special Export Program – Chamber of International Trade (CAMEX) “O Impacto do Livre Comércio nas PME’S”

Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities

May 2003 – October 2004

EVENT Counterpart Institution City, Date	Speakers Themes Covered
DISCUSSAO SOBRE ALCA: UMA VISAO INTERNACIONAL <u>Federação das Indústrias do Estado de Pernambuco (FIEPE)</u> Recife, Pernambuco August 21, 2003	Ambassador Luis Lauredo Executive Director of the FTAA Ministerial Meeting in Miami, November 2003 “ALCA/Forum das Américas – De Visão a Realidade” Dr. Jonathan Heath Chief Economist, HSBC Mexico “Impactos Macroeconómicos de la Apertura Comercial y el Acuerdo de Libre Comercio en México” Sandra Rios Coordinator of International Trade Integration Unit, National Confederation of Industry, Brazil “A ALCA na Visão da Coalizão Empresarial Brasileira” Sergio Melo National Director for the Special Export Program – Chamber of International Trade (CAMEX) “O Impacto do Livre Comércio nas PME’S”
DISCUSSAO SOBRE ALCA: UMA VISAO INTERNACIONAL <u>Federação das Indústrias do Estado do Paraná (FIEPR)</u> Curitiba, Paraná October 8, 2003	Ambassador Luís Lauredo Executive Director of the FTAA Ministerial Meeting in Miami, November 2003 “ALCA/Forum das Américas – De Visão a Realidade” Dr. Jonathan Heath Chief Economist, HSBC Mexico “Impactos Macroeconómicos de la Apertura Comercial y el Acuerdo de Libre Comercio en México”
DISCUSSAO SOBRE ALCA: UMA VISAO INTERNACIONAL <u>Federação das Indústrias do Estado de Santa Catarina (FIESC)</u> Florianópolis, Santa Catarina October 9, 2003	Ambassador Luís Lauredo Executive Director of the FTAA Ministerial Meeting in Miami, November 2003 “ALCA/Forum das Américas – De Visão a Realidade” Dr. Jonathan Heath Chief Economist, HSBC Mexico “Impactos Macroeconómicos de la Apertura Comercial y el Acuerdo de Libre Comercio en México”
INTEGRACAO COMERCIAL: UMA VISAO INTERNACIONAL <u>Federação das Indústrias do Estado do Pará (FIEP)</u> Belem, Pará April 27, 2004	Dra. Alejandra Garcia Brahim Ministra da Embaixada do México no Brasil, Brasília “México e seus Tratados de Livre Comércio” Dr. Jonathan Heath Chief Economist, HSBC Mexico “Os Impactos Macroeconômicos da NAFTA na Economia do México” Sr. Paulo Rocha Director of HRM International, Miami, USA “Estratégias de Entrada no Mercado dos Estados Unidos” Sr. Mário Marconini Senior Partner, MM Associados and International Trade Consultant “A Inserção do Brasil no Comércio Internacional”

Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities

May 2003 – October 2004

EVENT <u>Counterpart Institution</u> <u>City, Date</u>	Speakers <u>Themes Covered</u>
INTEGRACAO COMERCIAL: UMA VISAO INTERNACIONAL <u>Federação das Indústrias do Estado do Rio Grande do Sul (FIERGS)</u> Porto Alegre, Rio Grand do Sul <i>April 29, 2004</i>	Patrick Duddy U.S. Consul General, São Paulo Sr. Salvador Arriola y Barrenechea Mexican Consul General, São Paulo Dr. Jonathan Heath Chief Economist, HSBC Mexico <i>"Os Impactos Macroeconômicos da NAFTA na Economia do México"</i> Sr. Paulo Rocha Director of HRM International, Miami, USA <i>"Estratégias de Entrada no Mercado dos Estados Unidos"</i> Sr. Luiz Suplicy Hafers Advisor, Sociedade Rural Brasileira Sra. Susana Kakuta Director of Operations, SEBRAE/RS
ESTRATÉGIAS DE ACESSO AO MERCADO AMERICANO <u>Federação das Indústrias do Estado do Ceará (FIEC)</u> Fortaleza, Ceará <i>October 18, 2004</i>	Dra. Sharon T. Freeman Director of the Washington, DC Government's International Business Development Office at the DC Chamber of Commerce and the Chair of the DC Chamber's International Committee Dr. Roger Leeds Director of the Johns Hopkins University Center for International Business and Public Policy, School of Advanced International Studies (SAIS)
ESTRATÉGIAS DE ACESSO AO MERCADO AMERICANO <u>Federação das Indústrias do Estado do Pará (FIEPA)</u> Belem, Pará <i>October 20, 2004</i>	Dra. Sharon T. Freeman Director of the Washington, DC Government's International Business Development Office at the DC Chamber of Commerce and the Chair of the DC Chamber's International Committee Dr. Roger Leeds Director of the Johns Hopkins University Center for International Business and Public Policy, School of Advanced International Studies (SAIS)
ESTRATÉGIAS DE ACESSO AO MERCADO AMERICANO <u>Federação das Indústrias do Estado da Bahia (FIEB)</u> Salvador, Bahia <i>October 21, 2004</i>	Dra. Sharon T. Freeman Director of the Washington, DC Government's International Business Development Office at the DC Chamber of Commerce and the Chair of the DC Chamber's International Committee Dr. Roger Leeds Director of the Johns Hopkins University Center for International Business and Public Policy, School of Advanced International Studies (SAIS)

Civil Society Outreach Program in Brazil: Fostering Debate on FTAA and Free Trade Through Conferences in Secondary Cities

May 2003 – October 2004

Results

In 2003 and 2004, CARANA conducted a series of ten very successful, high-profile events on the FTAA and Free Trade related issues in the key secondary cities of Belem, Curitiba, Florianopolis, Fortaleza, Porto Alegre, Recife and Salvador. These conferences reached a direct audience of over 1000 key opinion-makers from Brazil's private sector, business sector leaders and active members of each of the Federations of Industry and Commerce in their respective regions. Through live radio broadcasts, television interviews, and extensive press coverage for each of these events, the messages and dialogue reached hundreds of thousands of interested listeners in each of these cities. The debates and discussions from these events helped to build public awareness for the opportunities and challenges for the private sector as Brazil considers policies favorable to more liberalized trade.

Relevant Documents

[C.10.10.1-1 Brazil SOW Phase I.pdf](#)
[C.10.10.1-2 Brazil Report on FTAA Event Bahia.pdf](#)
[C.10.10.1-3 Brazil Salvador Invitation.pdf](#)
[C.10.10.1-4 Brazil Fortaleza Invitation.pdf](#)
[C.10.10.1-5 Brasil Heath Presentation.pdf](#)
[C.10.10.1-6 Brasil Dellamea Presentation.pdf](#)
[C.10.10.1-7 Brasil Roche Presentation.pdf](#)
[C.10.10.1.8 Brasil SEBRA Presentation .pdf](#)
[C.10.10.1-9 Brasil FIERGS Presentation.pdf](#)

10. BRAZIL

10.2. Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and Related Free Trade Agreements

Overview

Within South America, Brazil is the largest country and the largest economy; while Brazil's economy has slipped to 12th place on a worldwide scale, the country's GDP still is in the neighborhood of US\$500 billion. Brazil represents an important market for the United States; hence Brazil's commitment to establishing the Free Trade Area of the Americas (FTAA) is considered key to the U.S. successfully negotiating its establishment. However, in a 2003 meeting of the US and Mexican Ambassadors to Brazil with President-elect Luis Inácio Lula Da Silva, the Lula side expressed doubts about the utility of Free Trade Agreements pushed by the U.S.

That prompted the Mexican Ambassador to challenge Lula to send his trade advisors to Mexico to experience NAFTA first hand and see what it had produced for the Mexican economy. The Mexican ambassador noted that Mexico now exports over \$150 billion in manufactured goods while Brazil only exports \$13 billion. The implications for export-led growth and employment generation are enormous. The Mexican Ambassador, an early skeptic of NAFTA, is now a convert to free trade, and points to the increasing success of Mexico's trade capacity and its impact on the Mexican economy. She now enthusiastically preaches free trade and has already appeared with the US Ambassador on several occasions to discuss NAFTA and Free Trade issues. Moreover, the Mexican Ambassador indicated that the Mexican Embassy would like to play a role as partners in co-sponsoring visits of Brazilians to Mexico to see first hand how Mexico is benefiting from free trade under NAFTA. Further discussions revealed that the Mexican Embassy was willing to assist in coordinating the logistics for a series of "trade visits" of Brazilians to Mexico.

USAID/Brazil therefore requested CARANA's assistance organizing a series of "trade visits" to focus on getting key Brazilians from government, the private sector, the media, and agriculture to Mexico to learn how Mexico has benefited from free trade under NAFTA. A series of high-level visits were coordinated throughout 2003 and 2004 to build awareness and understanding of the opportunities and challenges of NAFTA and lessons learned for future FTAs. Each visit included a small group of designated individuals (identified by USAID/Brazil) both within the private and public sectors. All of these visits included meetings with various Government of Mexico trade agencies, representatives of the Mexican Legislature, industrial associations, and select businesses that have expanded exports and employment. CARANA managed all aspects of the visits, from administrative and logistical issues, to strategic considerations and ultimate management of the thematic agenda.

Counterparts

CARANA worked in close coordination with USAID/LAC, USAID/Brazil, the Mexican Ministry of Foreign Relations and an exhaustive list of organizations intimately involved in these issues:

Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and Related Free Trade Agreements

March 2003 – May 2004

Fact-Finding Mission	Counterpart Organizations
Brazilian Congressional Delegation – Washington D.C. <i>January 28 – 31, 2004</i>	<ul style="list-style-type: none"> • Brazilian Embassy • U.S. Congress, House Appropriations Committee, Subcommittee on Foreign Operations, Export Financing and Related Programs • USAID/LAC • Integration and Regional Programs Department, IADB • USTR • U.S.-Brazil Business Council, U.S. Chamber of Commerce • Institute for International Economics • Department of State • Hills & Company • Senate Finance Committee • Georgetown University Law Center
Brazilian Congressional Delegation – Mexico <i>February 1 – 3, 2004</i>	<ul style="list-style-type: none"> • Ministry of Foreign Relations • Ministry of Economy • House of Representatives, Mexico • Foreign Relations Commission of the Camara de Diputados • Organizaciones Empresariales de Comercio Exterior • Consejo Nacional Agropecuario • Asociación Nacional de Industriales de Aceites y Mantecas Comestibles • Industria Nacional de Autopartes • Dirección General de Promoción Económica
Brazilian Congressional Staff Members – Washington D.C. <i>May 15 – 26, 2004</i>	<ul style="list-style-type: none"> • Agenda coordinated by PA International Visitors Program.
Brazilian Agricultural Delegation – Mexico <i>August 4 – 8, 2003</i>	<ul style="list-style-type: none"> • Subsecretaría de Fomento a los Agronegocios, SAGARPA • Subsecretaría de Agricultura, SAGARPA • Dirección de Sistemas de Información para la Operación de Apoyos Directos, SAGARPA • PROCAMPO • Fideicomisos Instituidos en Relación con la Agricultura (FIRA) • Unidad de Estudios del Sector Agroalimentario y de Apoyo a las Negociaciones Comerciales Internacionales, SAGARPA • Asociación Mexicana de Semilleros • Asociación Nacional de la Industria del Café (ANIC) • Comisión Michoacana del Aguacate • Unión de Empacadores y Comercializadores de Aguacate de Michoacán (UDECAM) • Asociación de Productores y Empacadores Exportadores de Aguacate de Michoacán (APEAM) • Comisión Michoacana del Aguacate • Comité Estatal de Sanidad Vegetal • Hortamex, Celaya, Comercializadora GAB, Irapuato. • Consejo Nacional Agropecuario (CNA) • Secretaría de Economía
Brazilian Journalist Delegation – Mexico <i>March 18 – 20, 2003</i>	<ul style="list-style-type: none"> • SAGARPA • Private Sector Representatives from Michoacan

Timeframe

The fact-finding missions took place in March 2003, August 2003, January and February 2004, and May 2004.

Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and Related Free Trade Agreements

March 2003 – May 2004

Activities

Fact-Finding Mission	Abbreviated List of Meetings
<p>Brazilian Congressional Delegation – Washington D.C. January 28 – 31, 2004</p> <p><u>Delegates</u></p> <ul style="list-style-type: none"> Rep. Dilceu Sperafico Rep. Maria J. Conceicao Maninha Rep. Nilson Moura Leite Mourao Rep. Joao Augusto Nardes Rep. Mauro Guimaraes Passos Rep. Joao Miguel Feu Rosa Rep. Ivan Valente Decio Guimaraes <p><u>USAID</u></p> <ul style="list-style-type: none"> Karen Harbert Janice Weber Bill Brands Laura Libanati Deborah McMahon Kevin Armstrong Richard Reiter Janice Fair <p><u>Department of State</u></p> <ul style="list-style-type: none"> David Edwards, Brazil Desk Officer <p><u>USTR</u></p> <ul style="list-style-type: none"> Nina Fite 	<ul style="list-style-type: none"> Ambassador Rubens Antonio Barbosa, Ambassador of Brazil to the United States U.S. Congressman Ed Pastor, Arizona, 4th District U.S. Congressman Phil English, Pennsylvania, 3rd District U.S. Congressman Jim Kolbe, Chairman House Appropriations Committee, Subcommittee on Foreign Operations, Export Financing and Related Programs, Arizona, 8th District U.S. Congressman Kenny Hulshof, Missouri, 9th District Karen Harbert, Deputy Assistant Administrator, USAID/LAC Janice M. Weber, Director, Office of South American Affairs, USAID/LAC Robert Devlin, Deputy Manager, Integration and Regional Programs Department, IADB Ambassador Peter F. Allgeier, Deputy U.S. Trade Representative Ambassador Ross Wilson, Senior Negotiator for the Free Trade Area of the Americas (FTAA), USTR U.S.-Brazil Business Council – private sector luncheon Dr. Jeffrey J. Schott, Senior Fellow, Institute for International Economics Alan P. Larson, Under Secretary, Economic, Business, and Agricultural Affairs, Department of State Ambassador Alexander Watson, Managing Director, Hills & Company Lawrence Doherty, Labor and Democracy Issues Consultant Senate Finance Committee, Staff of the Subcommittee on Trade Travis Seegmiller, Bob Stumberg, Bill Waren, Peter Riggs, Georgetown University Law Center
<p>Brazilian Congressional Delegation – Mexico February 1 – 3, 2004</p> <p><u>Delegates</u></p> <ul style="list-style-type: none"> Rep. Dilceu Sperafico Rep. Maria J. Conceicao Maninha Rep. Nilson Moura Leite Mourao Rep. Joao Augusto Nardes Rep. Mauro Guimaraes Passos Rep. Joao Miguel Feu Rosa Rep. Ivan Valente Decio Guimaraes <p><u>USAID</u></p> <ul style="list-style-type: none"> Kevin Armstrong 	<ul style="list-style-type: none"> Visit to Museo Antropológico Juan de Dios Castro Lozano, President, Camara de Diputados Dip. Adriana Gonzalez Carrillo, President of Foreign Relations Commission, Dip. J. Antonio Morales de la Peña (PAN), Dip. Marcela Gonzales Salas (PRD), Rogelio Flores Mejia (PAN) and others Ángel Villalobos Rodriguez, Vice-Minister in Charge of Trade Negotiations, Ministry of Economy Dr. Salvador de Lara Rangel, Direccion General de Negociaciones Economicas Internacionales Secretaria de Relaciones Exteriores Ms. Alina Dape, Coordinadora de Organizaciones Empresariales de Comercio Exterior. Private sector representatives: included Lic. Alfredo Moises (VP of Foreign Trade for the Consejo Nacional Agropecuario), Lic. Amadeo Ibarra Hallal (Director General, Asociacion Nacional de Industriales de Aceites y Mantecas Comestibles), Ramon Suarez Fernandez (Director General de la Industria Nacional de Autopartes), Fausto Cuevas (Representante de los Fabricantes de Autos), Guillermo Vila (Representante de la Industria Quimica), Graciela Gutierrez (Representante de las Industrias Electronica, de telecomunicaciones e Informatica) Dra. Gabriela Torre, Directora General de Promoción Económica
<p>Brazilian Congressional Staff Members – U.S. May 15 – 26, 2004</p>	<ul style="list-style-type: none"> Agenda coordinated by PA International Visitors Program.
<p>Brazilian Agricultural Delegation – Mexico August 4 – 8, 2003</p>	<ul style="list-style-type: none"> SAGARPA: Dr. Roberto Newell García, Subsecretario de Fomento a los Agronegocios, Luis F. Rodriguez Castañeda, Director General Adjunto de Proyectos de Inversion, Ing. Francisco

Civil Society Outreach Program in Brazil: Fact-Finding Missions to Washington D.C. and Mexico on NAFTA and Related Free Trade Agreements

March 2003 – May 2004

Fact-Finding Mission	Abbreviated List of Meetings
<p><u>Delegates:</u></p> <ul style="list-style-type: none"> • Celio B. Porto, Chief of Cabinet of Brazil's Minister of Agriculture • Vilmoneds Olegario da Silva, Director - Secretariat of Production and Trade - Coffee Department • Savio Rafael Pereira – Secretariat of Agricultural Policy – Coordinator Food Supply Department 	<p>López Tostado, Subsecretario de Agricultura, Ing. Luciano Vidal García, Coordinador de Asesores, Fernando Valderrabano, Coordinación de Asuntos Internacionales, Ing. Joel Ávila Aguilar, Coordinador General de Enlace y Operación, Ing. Juan Esteban García Dobarganes, Director General de Sistemas de Información para la Operación de Apoyos Directos, Lic. Graciela Aguilar, Nicolas Lopez and Hector Peña, Unidad de Estudios del Sector Agroalimentario y de Apoyo a las Negociaciones Comerciales Internacionales</p> <ul style="list-style-type: none"> • FIRA: Lic. Francisco Meré Palafox, Director General de Fideicomisos Instituidos en Relación con la Agricultura (FIRA), Ing. Jaime R. Herrera Corral, Director Adjunto (FIRA), J. Onesimo Hernandez Bello, Director de Productos y Servicios Financieros (FIRA) • Asociación Mexicana de Semilleros: Ing. Arcadio Lozano Martínez, Presidente, Lic. Olga Cecilia Treviño, Consejo Directivo • Asociación Nacional de la Industria del Café: Lic. Juan Martínez, Presidente, Lic. Jorge Cisneros Salas, Director General • Several private sector representatives from Michoacan • Consejo Nacional Agropecuario (CNA): Ing. Miguel Angel Garcia Paredes, Director General, Ing. Rene Fonseca Medina, Subdirector de Estudios Económicos, Lic. Alfredo Moises, VP de Comercio Exterior • Guanajuato Company Visits: Hortamex, Celaya, Miguel A. Usabiaga G. Comercializadora GAB, Irapuato • Secretaría de Economía: Lic. Fernando de Mateo Venturini, Coordinador General de Negociaciones con América Latina, ALCA, Europa y Sector Servicios, Lic. Ramon Anaya Pons, Dir. General Adjunto para Centro America y ALADI
<p>Brazilian Journalist Delegation – Mexico March 18 – 20, 2003</p> <p><u>Delegates (newspaper represented):</u></p> <ul style="list-style-type: none"> • Mr. Ricardo da Guia Rosa (Folha de Londrina) • Denise Chrispim Marin (O Estado de Sao Paulo) • Paulo Paiva Nogueira (Gazeta Mercantil) • Silvia Faria (Rede Globo) 	<ul style="list-style-type: none"> • SAGARPA: Lic. Graciela Aguilar, Directora de Planeación Agropecuaria at the Secretaría de Agricultura, Mr. Nicolas F. Lopez Lopez, Agricultural Specialist with the “Unidad de Estudios del Sector Agroalimentario y Apoyo a las Negociaciones Comerciales Internacionales” • Private Sector Representatives from Michoacan: Avocado producers and exporters, associations

Results

CARANA successfully managed this series of fact-finding missions to Mexico, among the most comprehensive FTA study tours designed and with unprecedented access to leading Mexican authorities of the subject of key lessons learned under NAFTA. All program participants gave positive feedback to USAID on the value of these trips, as evidenced by press coverage and extended invitations to select speakers for follow-up conferences in Brazil on topics discussed during the trips.

Relevant Documents

[C.10.10.2-1 Brasil Itinerary Washington Visit.pdf](#)

[C.10.10.2-2 Brasil MexicoTrip Agriculture.pdf](#)

[C.10.10.2-3 Brasil Summary Washington-Mexico Visit.pdf](#)

**Implementation of a Civil Society Outreach Program on the FTAA with the Paraguayan
Ministry of Foreign Relations**

May – December 2004

11. Paraguay

**11.1. Implementation of a Civil Society Outreach Program on the FTAA with the Paraguayan
Ministry of Foreign Relations**

Overview

From May to December 2004, CARANA supported a Civil Society Outreach Program (CSOP) in Paraguay with the Ministry of Foreign Relations. An initial visit to Asunción took place in March 2004 to meet with key members of civil society, USAID/Paraguay, U.S. Embassy/Paraguay and the Paraguayan Ministry of Foreign Relations. The program was designed to effectively increase support among the Paraguayan population for the FTAA and free trade in general. The primary activities under this program were to support the Paraguayan Ministry of Foreign Relations in the implementation of their outreach strategy. CARANA assisted the Ministry of Foreign Relations with a series of seminars and high-profile conferences throughout the interior of the country to promote awareness of the FTAA, the negotiation process, and the benefits and challenges of negotiating a free trade agreement.

Counterparts

The primary counterpart for this activity was the Paraguayan Ministry of Foreign Relations. CARANA developed solid relationships with private sector organizations in Paraguay throughout this activity, including:

Asociación Paraguaya de Profesionales Graduados en los Estados Unidos (APPG)	Ministry of Foreign Relations
Association of prosecutors	Universidad Católica
Cámara de Comercio Paraguay-Americano (AMCHAM)	USAID/Asunción
Cámara de Exportadores (CAPEX)	Various print and televised media
Cámara Nacional de Comercio y Servicios (CNCS)	

Timeframe

This activity was carried out from May to December 2004.

Activities

The primary activities in this program included:

- Financial and technical support to the Ministry of Foreign Relations in a series of conferences and workshops on the FTAA negotiation process. The majority of these events were held outside of Asunción, and focused on informing the population of the negotiation process. CARANA urged the Ministry of Foreign Relations to consider expanding these conferences and workshops to include a more substantive discussion of the opportunities and challenges of Free Trade Agreements, rather than a descriptive session on trade negotiation timelines and frameworks. A significant challenge for CARANA in supporting these activities was consistent pressure from the Ministry to pay salaries to government officials and per diems.

**Implementation of a Civil Society Outreach Program on the FTAA with the Paraguayan
Ministry of Foreign Relations**

May – December 2004

The primary cities in which outreach events were held include:

Caaguazú	Ciudad Pdte. Franco
Coronel Oviedo	Col. Nac.
Areguá	Caacupé
San Bernardino	Pilar
Filadelfia	San Juan Bautista
Villa Hayes	San Estanislao
Asunción	Coll. Curupayty
Salto del Guairá	Santa Rosa del Monday
Minga Guazú	Naranjal
Tavaí	Hernandarias
Capiata	Itá
Nemby	Villeta
Itauguá	Arroyo Porá
Cambyretá	Capitán Miranda
Trinidad	Carmen del Paraná
Yaguarón	Roque González
J. Augusto Saldivar	Escobar
Costa Irala Quindy	La Colmena
Ybycuí	Bella vista
Hohenau	Santísima Trinidad
Misiones, Santa Rosa	Misiones, San Ignacio
Pedor Juan Caballero	Ciudad del Este
San Lorenzo	Itapúa
Encarnación	

- Strengthening of the “Foro Consultivo,” the primary public-private dialogue mechanism of the Government of Paraguay for discussion of issues related to free trade, and specifically related to the FTAA. CARANA brought Costa Rican expert Francisco Chacón to Asunción to meet with MRE officials in closed-door sessions to share key lessons learned from Costa Rica on how to structure and manage an open dialogue with civil society on the most pressing issues related to negotiating a free trade agreement. This effort culminated in a large one-day conference on Free Trade sponsored by the Foro Consultivo, attracting over 250 prominent Paraguayans in Asunción.
- Visit by Francisco Chacón
Following a request for assistance from the Government of Paraguay, CARANA sent Francisco Chacón to Asunción to meet with ministry officials in charge of reactivating the Consultative Group for the FTAA. CARANA also took advantage of Mr. Chacón’s visit to hold two conferences highlighting Costa Rica’s strategy and experience with trade liberalization.
- Visit by Dr. Ricardo Monge
In November, CARANA sent Costa Rican Agricultural Expert Ricardo Monge to Paraguay for a series of meetings with key stakeholders in Asunción. The week’s activities culminated in a high-profile event in which National and International speakers

**Implementation of a Civil Society Outreach Program on the FTAA with the Paraguayan
Ministry of Foreign Relations
May – December 2004**

spoke on trade integration and opportunities for Paraguay. Over 250 participants attended the event, the largest and most successful event of its kind in Paraguay last year according to many participants.

Results

This Civil Society Outreach Program successfully supported the Paraguayan Ministry of Foreign Relations efforts and the terms of the Memorandum of Understanding between USAID and the Ministry. In fact, with CARANA support, the Ministry far exceeded its initial expectations of holding 30 seminars and 14 larger events throughout the country, tripling its outreach achievements with 91 seminars and holding an additional 16 large events across Paraguay. With CARANA assistance in programming these activities, the Ministry of Foreign Relations reached over 5,000 key stakeholders throughout the interior of the country. These 2-3 hour seminars covered the status of the FTAA negotiations and the general opportunities and challenges of FTAs. Overall, this was an unprecedented effort at public outreach.

Lessons Learned

However, CARANA also expressed significant concerns to both the Ministry of Foreign Relations and USAID/Paraguay throughout this civil society outreach program. The Ministry managed the content of the program, and on several occasions CARANA suggested that these static presentations could be improved and tailored to the various audiences in order to facilitate the dialogue. CARANA offered to produce or pay for printing of ‘popular’ written materials as a leave behind; however the Ministry staff insisted that they receive additional compensation for their time in preparing these presentations and documents. Ultimately, CARANA learned that Ministry employees were “double-counting” their travel and asking the UNDP for reimbursement as well as from CARANA for the same travel days. As soon as CARANA learned of this, we notified the UNDP who subsequently cancelled their technical assistance program with the Ministry.

Relevant Documents

[C.11.11.1-1 Paraguay CSOP MOU English.pdf](#)
[C.11.11.1-2 Paraguay CSOP MOU Spanish.pdf](#)
[C.11.11.1-3 Paraguay CSOP Trip Report 03-2004.pdf](#)
[C.11.11.1-4 Paraguay CSOP Trip Interviews 03-2004.pdf](#)
[C.11.11.1-5 Paraguay CSOP Memo to MRE 04-2004.pdf](#)
[C.11.11.1-6 Paraguay CSOP Trip Report 07-2004.pdf](#)
[C.11.11.1-7 Paraguay CSOP Presentation Chacon.pdf](#)
[C.11.11.1-8 Paraguay CSOP Presentation Monge.pdf](#)
[C.11.11.1-9 Paraguay CSOP MRE Final Report 1.pdf](#)
[C.11.11.1-10 Paraguay CSOP MRE Final Report 2.pdf](#)
[C.11.11.1.11 Paraguay CSOP Communications Final Report.pdf](#)

Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector

May – December 2005

11. Paraguay

11.2. Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector

Overview

The private sector should be the Government's greatest ally in promoting economic reform and trade policies conducive to increased competitiveness. In Paraguay, CARANA experience suggests that opportunities for private sector dialogue with the government on trade policy and the evolving needs of the Paraguayan productive sector remain very limited. With the current FTAA negotiation process stalled (as prospects for re-launching discussions have dimmed with Brazilian President Lula's recent declaration that the FTAA is off of Brazil's agenda), it is increasingly important for Paraguay's private sector to take a leading role in informing the Government of its needs.

Consequently in May 2005, USAID/Asunción solicited CARANA's involvement in designing and implementing a Civil Society Outreach Program on Free Trade with the Paraguayan private sector. The focus of this program is to stimulate private sector dialogue on important issues related to international trade, with particular consideration given to associations who are in position to sustain the dialogue beyond the initial technical assistance.

Specifically, CARANA provided a comprehensive speaker-program from June to December 2005, bringing in six international experts in a variety of fields to stimulate civil society discussion on key issues in international trade. Following extensive discussions during the week of June 6th with key private sector counterparts and Paraguayan opinion leaders, CARANA and USAID/Asunción decided on the overarching theme for the short-term speaker-program: "Ambiente de Negocios y el Proceso Exportador." This theme was chosen to reflect several USAID priorities in Paraguay:

1. Focus on export development in current SME competitiveness project, Paraguay Vende.
2. Reinforce Government of Paraguay priorities to improve the Paraguayan business climate.
3. Provide continuity and visibility to USAID/Asunción responsiveness to a recent G8 Initiative focusing on the reduction of key business constraints. USAID sponsored a high-profile event in March and will use these events to further the message of the G8 initiative.

Counterparts

The primary counterparts for this activity were USAID/Paraguay and the following institutions:

Asociación Paraguaya de Profesionales Graduados en los Estados Unidos (APPG)	Ministry of Foreign Relations
Association of Prosecutors	Paraguay VENDE
Cámara de Comercio Paraguayo-Americano (AMCHAM)	Red de Inversión y de las Exportaciones (REDIEX)
Cámara de Exportadores (CAPEX)	Universidad Católica
Cámara Nacional de Comercio y Servicios (CNCS)	USAID/Asunción

Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector

May – December 2005

Cámara Paraguaya de Terminales y Puertos Privados (CATERPA)	Various print and televised media
Foro Consultivo do Brasil	

Timeframe

This activity was conducted between May and December 2005.

Activities

CARANA support in this program included the following:

- Provided limited technical assistance in Paraguay to those institutions wishing to co-sponsor this speaker series.
- Provided six recognized international experts/speakers in international trade issues at no cost to the local institutions wishing to organize civil society outreach events for the speaker
- Developed co-financing and cost-sharing options with local institutions. These costs included marketing materials, facilities and equipment rental, coffee breaks and follow-up conference publications.
- Coordinated closely with USAID and the U.S. Embassy public relations team, and when appropriate local media to ensure that we were able to take full advantage of each speaker's visit to reach a maximum audience.
- Coordinated directly with USAID/Paraguay's existing program, Paraguay Vende, and other local counterpart institutions to develop suggested programming for possible follow-up activities.

Specifically, CARANA worked closely with Paraguayan Counterparts and USAID/Paraguay to put together the following comprehensive conferences on Free Trade-related topics:

Speaker(s)	Topic(s)	Paraguayan Counterparts	Date
Dr. Enrique Roman SME Competitiveness Expert, Director of CEPRI <i>Chile</i>	SME Competitiveness and Liberalized Trade: Lessons Learned from Chile and Potential Lessons for Paraguay	<ul style="list-style-type: none"> • Cámara de Exportadores (CAPEX) • Red de Inversión y de las Exportaciones (REDIEX) • Universidad Católica • Paraguay VENDE • Asociación Paraguaya de Profesionales Graduados en los Estados Unidos (APPG) • Various print and televised media 	<i>July 18 – 22, 2005</i>
Amb. Osvaldo Rosales Director for International Trade CEPAL <i>Chile</i>	The Case of Chile: Opportunities and Challenges of Trade Liberalization. Institutional Reforms and Private Sector Role in Promoting Free Trade	<ul style="list-style-type: none"> • Cámara de Comercio Paraguayo-Americano • Universidad Católica • Various print media 	<i>July 26 – 28, 2005</i>
Mr. Ian Thomson Ex-Director of Transportation, CEPAL <i>Chile</i>	Transportation and Logistics: Key Factor in Competitiveness and Opportunities for Private Sector Cost Reductions	<ul style="list-style-type: none"> • Cámara Nacional de Comercio y Servicios (CNS) • Paraguay Vende 	<i>Aug. 22 – 26, 2005</i>

Implementation of a Civil Society Outreach Program on Free Trade with the Paraguayan Private Sector

May – December 2005

Mr. Martin Sgut Maritime and Fluvial Transportation and Logistics Expert <i>Argentina</i>		<ul style="list-style-type: none"> • Cámara Paraguaya de Terminales y Puertos Privados (CATERPA) • Various print media 	
Mr. Luís M. Martinez Vice President International Centre for Dispute Resolution - The International Division of the American Arbitration Association <i>US</i> Ms. Marcela Filloy Deputy Director Inter-American Commercial Arbitration Commission <i>Costa Rica</i>	Alternative Dispute Resolution Mechanisms: Private Sector Role and Responsibilities	<ul style="list-style-type: none"> • Cámara Nacional de Comercio y Servicios (CNS) • Paraguay Vende • Association of prosecutors • Business Leaders in Asunción and Ciudad del Este • AMCHAM • Foro Consultivo do Brasil • Various print media 	<i>Sept. 5 – 9, 2005</i>

Results

USAID/Paraguay considers CARANA's Civil Society Outreach Program with the Paraguayan private sector to be a success. The four principle conferences each reached an estimated 300 key stakeholders in Asunción, stimulating a series of important civil society discussion on the role of free trade and opportunities for Paraguay. The last two events were a resounding success, leading to the creation of a forum on trade and logistics (that will tentatively include an observatory on the excess costs of cross-border trade imposed by regulation and corruption in customs) and to an agreement of technical assistance between the American Arbitrations Association and the local Center of Mediation and Arbitration (run by the Chamber of Commerce).

Relevant Documents

- [C.11.11.2-1 Paraguay CSOP Agenda Roman 07-2005.pdf](#)
- [C.11.11.2-2 Paraguay CSOP Presentation Roman.pdf](#)
- [C.11.11.2-3 Paraguay CSOP Presentation Rosales.pdf](#)
- [C.11.11.2-4 Paraguay CSOP Agenda Thomson and Sgut 08-2005.pdf](#)
- [C.11.11.2-5 Paraguay CSOP Event Thomson and Sgut 08-2005.pdf](#)
- [C.11.11.2-6 Paraguay CSOP Presentation Thomson.pdf](#)
- [C.11.11.2-7 Paraguay CSOP Presentation Sgut.pdf](#)
- [C.11.11.2-8 Paraguay CSOP Presentation Filloy.pdf](#)

Civil Society Outreach Program in the Caribbean on Free Trade, CSME Issues and the Free Trade Area of the Americas (FTAA)

November 2003 – April 2005

D. CARICOM Countries

12. Eastern Caribbean

12.1. Civil Society Outreach Program in the Caribbean on Free Trade, CSME Issues and the Free Trade Area of the Americas (FTAA)

Overview

The Caribbean Civil Society Outreach Program (CSOP) was a pragmatic multifaceted and multi-layered activity aimed at building public awareness of the opportunities and challenges of free trade and integration in the Caribbean Region. The initiative was a response by USAID to the requests for technical assistance made in the region's Trade Capacity Building Strategies (TCBS) on one hand, while working directly with USAID's CSME Public Education Program (C-TRADECOM) and the CSME Unit of the CARICOM Secretariat to raise public awareness of the CARICOM Single Market and Economy (CSME) on the other. Over a period of 16 months, the program delivered some 22 outreach activities in 10 of the 14 CARICOM countries. All countries benefited directly through participation in regional events.

Counterparts

This activity was carried out in collaboration with the following institutions and projects:

Association of Development Agencies, Jamaica	International Labor Organization (ILO), Caribbean Regional Office, Trinidad & Tobago
Barbados Association of Non-Governmental Organizations (BANGO)	Ministry of Finance and Economy (Industry and Commerce) CSME Unit, Antigua & Barbuda
Barbados Government Information Service (BGIS)	Ministry of Foreign Affairs, Tourism, International Transport and Trade of Antigua & Barbuda, International Trade Division
Barbados Workers Union	Ministry of Foreign Trade and International Cooperation (MOFTIC), Guyana
Barbados Labor College	Ministry of Trade and Industry of the Bahamas
Berbice Chamber of Commerce and Development Associations (BCCDA), Guyana	Ministry of Trade and Industry of Suriname
Caribbean Association of Feminist Research and Action (CAFRA), Trinidad & Tobago and St. Lucia	International Labor Organization (ILO), Caribbean Regional Office, Trinidad & Tobago
Caribbean-Central American Action (CCAA)	Ministry of Finance and Economy (Industry and Commerce) CSME Unit, Antigua & Barbuda
Caribbean Congress of Labor (CCL), Guyana and Trinidad & Tobago	Ministry of Foreign Affairs, Tourism, International Transport and Trade of Antigua & Barbuda, International Trade Division
Caribbean Policy Development Center (CPDC), Barbados	Observer Radio 91.1FM, Antigua & Barbuda
Caribbean Regional Negotiating Machinery (CRNM), Barbados	Organization of American States (OAS)
CARICOM CSME Unit, Barbados	Organization of Eastern Caribbean States (OECS) Secretariat
CARICOM Secretariat, Guyana	University of the West Indies, Cave Hill

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First Class Consultants, Ltd., The Bahamas	USAID Project: Guyana Trade and Investment Support (GTIS) Program, Guyana
Gilbert Agricultural Rural Development Center (GARD), Antigua	USAID Project: Caribbean Trade and Competitiveness Development (C-TRADECOM) Program, Barbados
Guyana Trade Union Council (GTUC), Guyana	World Trade Center Miami

Timeframe

Project design began in November 2003 and a flexible scope of work was finalized in February 2004. Planning and design of activities began in January 2004 and outreach events began in April 2004. The program was transferred from the C-TRADECOM Program to the LAC Trade Project effective July 2004. The project officially ended April 15, 2005.

Activities

The objective of the program was to raise public awareness of trade issues and agreements (specifically the FTAA and CSME) among various constituencies including the general public, non-governmental organizations (NGOs), policymakers, and non-state actors such as the business community, labor unions and the media.

Twenty-two (22) activities were implemented under the Caribbean CSOP initiative, each of which is described in detail below:

Regional Workshop on Trade for Journalists and Media Practitioners (April 4-7, 2004; Antigua)

Counterpart: Caribbean Regional Negotiating Machinery (CRNM)

Beneficiary countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago

C-TRADECOM, in conjunction with the CRNM, held a Regional Workshop on Trade for Journalists and Media Practitioners in April 2004. The workshop's 25 participants consisted of members of the broadcast and print media from 13 CARICOM countries. Speakers included Ambassador Richard Bernal (Director General, CRNM), the Honorable Harold Lovell (minister of Foreign Affairs, Trade, Tourism and Transportation, Antigua and Barbuda), Mr. Edward Ince (Director of the PRISM financial services company, Barbados), and Mr. Corey Henry (Associate Editor of Inside US Trade), as well as key members of the RNM technical staff. The three-day program included basic coaching on trade issues reporting, and update of where the FTAA negotiations stood after the Miami Ministerial, and several case studies on Caribbean businesses benefiting from existing trade agreements.

Regional Workshop on Trade for Youth (April 29-30, 2004; Guyana)

Counterpart: Caribbean Policy Development Center (CPDC)

Beneficiary countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago

This major event was held over a two-day period in Georgetown, Guyana, and organized in conjunction with the Caribbean Policy Development Center (CPDC). The workshop brought together various youth groups from across the wider Caribbean with the aim of raising the level of education and awareness among the Region's youth on issues relating to

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globalization and trade liberalization. Participants were exposed to expert facilitators from throughout the Caribbean, including regional policymakers and negotiators, CARICOM and OECS officials, and extra-regional experts. Officials from USAID/Georgetown spoke at the opening ceremony and attended several of the working sessions. Workshop evaluations demonstrated a substantial increase in the participant's ability to understand trade concepts and agreements.

Town Hall Meeting with Berbice Chamber of Commerce: "Preparing for the FTAA: Competing in a Global Business Environment" (June 21, 2004; Guyana)

Counterpart: Ministry of Foreign Trade and International Cooperation (MOFTIC) – Guyana
Beneficiary country: Guyana

During this one-day seminar, held in the city of New Amsterdam, Mr. William Phelps gave a lecture and led a discussion on the implications of free trade for various elements of the Guyanese private sector. Officials from the Ministry of Trade and the Berbice Chamber of Commerce and Development Association (BCCDA) also participated in a panel discussion. Approximately 18 local businesspeople attended.

Support to the Regional Symposium "Florida Caribbean Collaborative Development Strategies: Positioning Caribbean Business to Compete in an FTAA Era" (June 23-24, 2004; Barbados)

Counterpart: World Trade Center Miami, Caribbean-Central American Action (CCAA)
Beneficiary countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago

On June 24th, 2004, almost 200 business executives and public officials from Florida and the Caribbean came together for this conference, held in Barbados. Organized jointly by the World Trade Center Miami and Caribbean-Central American Action (CCAA), in conjunction with C-TRADECOM, the conference attracted a diverse audience from 13 countries in the English and Dutch-speaking Caribbean as well as from Florida, Maryland, North Carolina and the District of Columbia. Participants represented small and medium-sized companies as well as large multinationals. By bringing together industry experts and senior policymakers from the Caribbean and US, the conference provided a forum that offered three essential elements for development – education, policy dialogue, and the opportunity for business creation. Business leaders with extensive experience in local, regional, and global markets shared strategies for success and best practices with young entrepreneurs and companies preparing to enter the export market. Policy experts offered a range of perspectives on the implication for Caribbean businesses of bilateral agreements such as the US-CAFTA and hemispheric agreements such as the FTAA.

"Trade Educational Expo" informational tent (July 3, 2004; Grenada)

Counterpart: Caribbean Policy Development Center (CPDC)

Beneficiary country: Grenada

Held in collaboration with CPDC, this activity consisted of an all-day tent fair held by the Careenage in Grenada's capital city. The main objective was to distribute information on trade issues to a diverse audience and to promote a dialogue on trade among Grenada's general public. The activity was held at an opportune time as it preceded the CARICOM Heads of Government Intercessional Meeting, which was focused specifically on implementation of the CSME. The tent fair featured mass distribution of materials, live performances by Grenadian artists, a popular local DJ providing information on the CSME and inviting people to participate and win prizes for correctly answering questions, and

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interviews with C-TRADECOM-trained “Champions of the CSME” and technical professionals from Grenada’s Ministry of Trade.

Series of lectures and Town Hall Meetings in Nassau and Exuma, Bahamas (July 19-21, 2004; Bahamas)

Counterpart: Ministry of Trade and Industry of the Bahamas

Beneficiary country: The Bahamas

In July 2004, a series of town hall meetings on free trade were held in Nassau and Exuma in conjunction with the Ministry of Trade and Industry of the Bahamas. Mr. Thomas O’Keefe, international trade expert, spoke at the events, which were attended by more than 200 people including members of non-governmental organizations, the private sector, various government ministries, and academia. A video, based on the meetings, was produced and aired throughout the Bahamas in April 2005.

Regional Seminar on Trade for Trade Unions (August 11-12, 2004; Barbados)

Counterparts: Caribbean Policy Development Center, Barbados Workers Union, Barbados Labor College

Beneficiary countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago

This major seminar, co-sponsored with CPDC, sought to increase the awareness of trade union officials of the nature of trade liberalization and the ongoing external trade negotiations, particularly those in the WTO and FTAA. The seminar was part of an on-going effort by CPDC to develop a training manual to support the training of union officials and encourage them to train other workers. Local and regional media covered the seminar, which was attended by some thirty regional trade union officials, trade specialists, and members of the NGO community. Among the sessions at the two-day seminar were: “The Caribbean in the International Trading Environment,” “The WTO, FTAA, Cotonou – History, Evolution, Opportunities, and Challenges,” “The CARICOM Single Market and Economy – Freedom of Movement,” “The State of the Game – Where are the Negotiations Currently?” “The Changing Nature of Work in the Global Environment,” “Services, Investment and Government Procurement – Where is the Worker in the Agreements,” and “Effective Trade Union Responses in the Present Environment.” At the end of the session, many participants reported that they had benefited tremendously from the session and made commitments to inform colleagues at their workplaces and in their unions about the information gleaned at the seminar.

Radio Broadcast in Antigua & Barbuda: “Have Your Say! Trade in Services” (August 30, 2004; Antigua and Barbuda)

Counterpart: International Trade Division of the Ministry of Foreign Affairs, Tourism, International Transport and Trade of Antigua & Barbuda, OECS Secretariat, Observer Radio 91.1FM

Beneficiary Country: Antigua & Barbuda

In collaboration with the Ministry of Foreign Affairs, Observer Radio 91.1 and the OECS Secretariat, a panel was organized to discuss the importance of trade in services to the Antiguan economy. The panel of experts, drawn from both the public and private sectors, appeared on the show “Have your say!” during the popular 7:00PM timeslot. The show ran for approximately one hour and thirty minutes and is estimated to have reached at least 10,000 listeners.

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Rural Consultation on FTAA and CSME (September 28, 2004; St. Kitts)

Counterpart: CPDC

Beneficiary Country: St. Kitts & Nevis

In conjunction with CPDC, a consultation was held in St. Kitts with a group of farmers, small producers and small traders. The specific objective of the consultation was to increase awareness in rural communities about how trade liberalization in the region will affect them. These kinds of forums also help rural communities to develop sustainable strategies to respond to and capitalize on the potential benefits of the trade liberalization process. Feedback at the conclusion of the consultation was very positive, as it was the first time that many of the participants had been exposed to any information on trade liberalization and trade agreements.

Spokespersons Training on CSME and FTAA in Suriname (October 26-27, 2004; Suriname)

Counterpart: C-TRADECOM CSME PEP, CSME Unit (Barbados), Ministry of Trade and Industry of Suriname

Beneficiary Country: Suriname

In Suriname, 19 participants were trained to be “free trade spokespersons.” The two-day training equipped members of the private sector, academia, and the NGO community with the skills necessary to act as informal spokespersons on the topics of the FTAA, CSME and WTO processes. The participants received training on how to give interviews, speak at public events, and generally become more involved in advocating free trade in their communities. This highly effective method was used elsewhere in the Caribbean (specifically on the topic of the CSME) and has shown very positive results to date. The opening remarks were carried live on national radio, thus reaching an even greater audience.

Regional Workshop on Trade for Trade Unionists (October 18-20, 2004; Suriname)

Counterparts: Caribbean Regional Negotiating Machinery (CRNM), Caribbean Congress of Labor (CCL), International Labor Organization (ILO)

Beneficiary Countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago

In conjunction with the CRNM, CCL, and ILO, the program supported a regional seminar for trade union officials in Suriname. Approximately 28 persons attended the seminar, which focused on the benefits and challenges of the FTAA and the CSME to the labor community in the Caribbean region. Prime Minister of Barbados the Honorable Owen Arthur gave opening remarks.

Public Outreach Event in Central Bridgetown “Bringing Free Trade to the People” (December 10, 2004; Barbados)

Counterpart: Barbados Association of Non-Governmental Organizations (BANGO)

Beneficiary Country: Barbados

The objective of this activity, organized in conjunction with the Barbados Association of NGOs, was to sensitize the greater public, with great emphasis on the “ordinary man in the street” about the CSME and FTAA and how these agreements will benefit Barbadians. A “Free Trade Information Zone” was set up in the heart of Bridgetown. Representatives from various government departments and ministries, the University of the West Indies (Cave Hill), the Caribbean Regional Negotiating Machinery (CRNM) and the Caribbean Export Development Agency (Caribbean Export), as well as the United Nations Development Program (UNDP) and others were present to hand out information and answer questions. A cultural presentation, including dancers and steel bands, was held to attract attention to the

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Information Zone. Several hundred people visited the booths and took away information during the day.

Rural Consultation on FTAA and CSME (December 14, 2004; St. Lucia)

Counterpart: CAFRA (St. Lucia), CPDC

Beneficiary country: St. Lucia

In conjunction with CAFRA and CPDC, a consultation was held in St. Lucia with a group of 26 farmers, small producers and small traders in the rural community of LaFargue, Choisuel and the surrounding areas. The specific objective of the consultation was to increase awareness in rural communities about how trade liberalization in the region will affect them. These kinds of forums also help rural communities to develop sustainable strategies to respond to and capitalize on the potential benefits of the trade liberalization process. Feedback at the conclusion of the consultation was very good. Participants were grateful for the opportunity to learn about the FTAA and CSME. As this was, for many of them, the first time that they had been exposed to any information on trade liberalization and trade agreements, there was a high level of demand for a continued effort in the future.

Antigua CSME Open Day Activity (March 11, 2005; Antigua)

Counterpart: Ministry of Finance and Economy (Industry and Commerce) of Antigua & Barbuda, CPDC

Beneficiary Country: Antigua & Barbuda

In response to a request by the Ministry of Finance and Economy, this event facilitated the central distribution of informational materials related to the CSME and trade in general. A tent was set up in the heart of the town area and information was distributed to the general public.

Regional Workshop on Trade for Trade Unions: “Trade and Labor: Ensuring the Decent Right to Work” (March 17-18, 2005; Guyana)

Counterparts: Guyana Trade Union Council (GTUC); USAID/Guyana Trade and Investment Support (GTIS) Program; Caribbean Congress of Labor (CCL)

Beneficiary Countries: Barbados, Dominica, Guyana, Jamaica, St. Vincent and the Grenadines, Suriname, Trinidad & Tobago

This two-day event, held in close collaboration with USAID’s Guyana Trade and Investment Support (GTIS) Program in Georgetown, Guyana, attracted the participation of more than 60 labor leaders from throughout the region. The objective of the workshop was to have a useful discussion with those who are directly impacted by trade decisions – the workers and their representatives. The workshop addressed issues relevant to workers and their rights and sought to build trade awareness among the Guyanese labor constituents in relation to the various ongoing trade negotiations and agreements. It further aimed to help them formulate a policy document for input into the trade negotiating process at the various levels. The agenda included discussions on corporate social responsibility, the implications of the CSME for labor and freedom of movement, the Caribbean Basin Preferential Trade Agreement (CBPTA) and labor, the treatment of labor in the FTAA, and the inclusion of the ILO’s Core Labor Standards in trade negotiations. Participants were pleased with the form and function of the conference, as were the representatives of from the ILO and CCL. The US Ambassador to Guyana and the Deputy Secretary General of CARICOM, among others, gave opening remarks.

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Public Outreach Lecture on Corporate Social Responsibility and Trade at the University of the West Indies (Cave Hill) with Labor Specialist Lawrence Doherty (March 24, 2005; Barbados)

Coounterparts: The University of West Indies

Beneficiary Countries: Antigua & Barbuda, Barbados, Dominica, Grenada, Jamaica, St. Kitts & Nevis, St. Lucia, St. Vincent & the Grenadines

Labor Specialist Lawrence Doherty gave a one-hour presentation to a group of University of the West Indies international business students on the topic of globalization and corporate social responsibility, while providing specific insights into the implications of globalization for small developing countries. Reference was made to the implications of expanded free movement of persons within the CARICOM region and the subsequent impact on labor rights and regulations. Students participated in a 30-minute question and answer session at the conclusion of the lecture.

National Working Committee on Trade Workshops in Trinidad, Jamaica and Antigua (February-March 2005)

Counterpart: Caribbean Policy Development Center (CPDC)

Beneficiary Countries: Trinidad & Tobago, Jamaica, and Antigua & Barbuda

A series of three national workshops were held by CPDC in preparation for the Regional Workshop for National Working Committees on Trade (see below). At each of the workshops, national participants were briefed in trade concepts, agreements, and current affairs. Participation in all three workshops was high, averaging about 20 persons each.

Regional Workshop for National Working Committees on Trade (March 22-23, 2005; St. Lucia)

Beneficiary Countries: Antigua & Barbuda, Barbados, Dominica, Jamaica, St. Lucia, St. Vincent & the Grenadines, Suriname, Trinidad & Tobago

The Caribbean (NGO) Reference Group on External Relations (CRG) was established in 1996 to essentially function as a think tank on policy issues relating to the process of trade liberalization. The efforts of the CDG were successful but led to heavy demand, which threatened to expand the group's work beyond its regional focus into doing significant national and community level engagement. The National Working Committee on Trade (NWCT) was developed as a direct response to this increased demand and has as its main mandate to "build the capacity of national and community civil organizations to understand the process of trade liberalization and to engage national policymakers on the development of trade policy." This regional meeting focused on strengthening the capacity of the NWCT to work together regionally and to advance their knowledge of trade issues. The group included 18 participants from diverse professional backgrounds. Representatives from the LAC Trade Project, CRNM, OECS Secretariat, and Commonwealth Foundation acted as facilitators.

Regional Workshop on CSME and Trade Awareness for Newspaper Editors (March 30-31, 2005; Barbados)

Counterparts: USAID's C-TRADECOM Program, CSME Unit (Barbados), Barbados Government Information Service (BGIS)

Beneficiary countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago

In March 2005, the second of two regional workshops on trade for the media was held in Barbados. The objective of the workshop was to strengthen both the quality and quantity of trade reporting in the region. This two-day workshop was designed to be highly interactive,

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with participants sitting on discussion panels and interviewing one another. Topics covered included the FTAA, CSME, and WTO, as well as provided techniques for researching and reporting trade issues. Some 24 participants from throughout the region attended. The Secretary General of CARICOM, the Honorable Edwin Carrington, gave the opening address.

National Broadcast of Video Program on Free Trade (April 2005; The Bahamas)

Counterpart: First Class Consultants, Ltd.

Beneficiary Country: The Bahamas

A 30-minute video, entitled “The Bahamas and Free Trade: What does it mean to you?” was broadcast throughout the Bahamas in April 2005. Filmed primarily during Town Hall Meetings organized by the CSOP team in July 2004, the video features a series of interviews with government officials, civil society leaders, academics, and the general public and seeks to address many of the “myths” about free trade in the Bahamas. As the Bahamas is not part of the CARICOM Single Market and Economy, and is the only state in CARICOM that is not a member of the WTO, the video sought to promote public dialogue on these questions.

Results

The initiative implemented over 20 highly visible events and outreach activities, all of which directly contributed to the mandate of the program: to raise public awareness of free trade in the Caribbean. Public/outdoor events, such as those that took place in Grenada, Barbados, and Antigua, reached approximately 3,000 members of the general public. Workshops for trade unions, of which there were three (Barbados, Suriname, and Guyana), directly influenced at least 75 of the Region’s most powerful and influential trade union leaders. As leaders from 13 CARICOM countries participated (with the only exception of Haiti), it can be estimated that in some way, every member of every major union in the Caribbean benefited from the program. The radio broadcast in Antigua and Barbuda on trade in services and the FTAA is estimated to have reached at least 10,000 households in the country. The video broadcast in the Bahamas is estimated to have reached a population of 50,000. The two workshops for members of the Caribbean media (Antigua 2004 and Barbados 2005) had a noticeable impact on the quality and quantity of reporting on trade issues in general. All of the major newspapers in the region were represented at both events, with a combined readership of approximately 3 million persons per day.

Relevant Documents

[D.12.12.1-1 Caribbean CSOP Final Report.pdf](#)

[D.12.12.1-2 Caribbean CSOP Labor Conferences SOW.pdf](#)

[D.12.12.1-3 Caribbean CSOP Project Strategy.pdf](#)

[D.12.12.1-4 Caribbean CSOP Antigua and Barbuda Memo.pdf](#)

[D.12.12.1-5 Caribbean CSOP Working Calendar.pdf](#)

Development of the National Trade Capacity Building (TCB) Strategy for the Government of Suriname

April – September 2003

13. Suriname

13.1. Development of the National Trade Capacity Building (TCB) Strategy for the Government of Suriname

Overview

In March 2003, USAID asked CARANA Corporation to assist the Government of Suriname with the development of their National Trade Capacity Building Strategy. The National or Sub-Regional Trade Capacity Building Strategies are documents that define, articulate and prioritize needs, and according to Ministerial decisions, they should be divided in three main areas or parts: a) preparation for and participation in negotiations; b) implementation of the agreement; and c) the transition and changes necessary to reap fully the benefits of the FTAA. These strategies are “conceived in the context of national development objectives and strategies” and as “part of an agenda for economic growth and development and poverty reduction.” The main objective is to include in these documents the relevant information necessary for presentation to potential donors – both public and private – with appropriate justifications.

CARANA Corporation fielded Deputy Project Manager Bronwen Alsop within two weeks of the initial request to meet with the Ministry of Trade and Industry (MTI) and assemble a qualified team of expert consultants and an appropriate workplan for this technical assistance. From April to September 2003, the CARANA team worked closely with the MTI and the leading stakeholders (government, NGO and private sector representatives) in Suriname to develop the National Trade Capacity Building Strategy (TCBS) for the Government of Suriname. This document served to identify, articulate and prioritize Suriname’s needs in preparation for FTAA negotiations and implementation, as well as other donor-related technical assistance discussions.

The Strategy included the identification of requirements for the negotiation process, for the implementation stage and finally, for the transition to free trade, in accordance with the guidelines developed by the FTAA Secretariat and the Consultative Group on Smaller Economies (CSME) in January, 2003, for the purpose of providing relevant information to the Tripartite Committee and, possibly, other prospective donors. The Strategy thereby will serve as a management tool for mobilizing and managing trade capacity building assistance – both from public and private sources – as well as an integral component of the country’s trade development strategy.

Counterparts

The primary counterparts for this activity were USAID/LAC, USAID/Suriname, and the Suriname Ministry of Trade and Industry (MTI). The following institutions and groups were involved in the primary stakeholder engagements to draft the TCB Strategy for the Government of Suriname:

Ministry of Trade and Industry	KKF
VSB	Ministry of Finance
Ministry of LW	Central Bank
AMCHAM	NGO Forum
WBG	Plos
Ministry of Justice and Police	Beleidsadviseur HI
AKMOS	LVV
Ministry of Transport, Technological Development and Environment	Office of the European Commission

Development of the National Trade Capacity Building (TCB) Strategy for the Government of Suriname

April – September 2003

Ministry of Labor, Technological Development, and Environment (ATM)	ASFA
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Timeframe

The TCB Strategy was developed from April to September 2003.

Activities

The first step in the development of this TCBS was to discern the primary trade areas that needed to be strengthened in order for Suriname to participate fully in the FTAA. For this reason, USAID offered to assist Suriname in identifying the critical trade areas that need to be strengthened and the tasks that need to be undertaken in the near future. Therefore, USAID/CARANA and the Ministry of Trade have agreed to form a working group to develop a flexible TCBS.

The CARANA Team quickly developed a workplan with the Government of Suriname and assembled a team of leading international experts in the field. These experts traveled to Suriname the week of September 8, 2003, for an intense week of data collection, interviews, and discussions with the the Government of Suriname (GOS) on their priorities for the TCB document.

Results

With the approval of the (GOS) and under the supervision of the Ministry of Trade and Industry (MTI), CARANA successfully led the USAID/CARANA/GOS working group in its rapid completion of a comprehensive National Trade Capacity Building Strategy. The strategy developed has the following components:

1. A description of the responsibilities of the institutions and agencies that participate in trade policy decisions and implement agreements.
2. An evaluation of trade personnel experience, institutional capacities, regulations and disciplines, information technology, education, civil society and private sector participation and public awareness, transparency of laws and regulations, and the existing sources of technical assistance in the trade area.
3. An evaluation of the key issues included in preparing for and participating in the FTAA negotiations. The key issues included in this last evaluation include:
 - a. non-agricultural goods
 - b. agriculture goods
 - c. customs procedures
 - d. services
 - e. intellectual property
 - f. investment
 - g. subsidies, antidumping and countervailing measures
 - h. government procurement
 - i. dispute settlement
 - j. competition policy;
 - k. sanitary and phyto-sanitary
 - l. standards (technical barriers to trade)
 - m. labor
 - n. environment
 - o. horizontal needs

Relevant Documents

[D.13.13.1-1 Suriname TCB Strategy SOW.pdf](#)

[D.13.13.1-2 Suriname TCB Strategy Final.pdf](#)

E. Other

14. USAID/LAC

14.1. CAFTA Civil Society Outreach Inventory of Central America

Overview

In October 2002, the United States Trade Representatives Office announced its intention to initiate free trade negotiations with the five Central American nations of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. This announcement came after a strong expression of interest from the Central American countries to initiate free trade negotiations directly with the United States as soon as possible. The importance of this free trade agreement with the United States cannot be overstated. With over 52% of their combined exports destined for United States markets, the United States has been and will remain the region's largest trading partner far into the future. The successful negotiation of a free trade agreement with the United States not only assures continued free trade with its largest trading partner, but also is an important step in the creation of the FTAA, thus providing this region with even greater trade and investment opportunities in the future.

Civil society outreach and participation in the negotiation of a Free Trade Agreement with the United States

The negotiation and eventual ratification of a free trade agreement with the United States will have an extraordinary impact on all aspects of Central American civil society. Recognizing the importance of these negotiations, each of the five Central American governments committed to implementing a Civil Society Outreach Program (CSOP) designed to stimulate the participation of all citizens in the negotiation process. These initiatives were active, responsible, objective and open to all sectors of civil society. Each country's CSOP also served to reaffirm the government's commitment to transparency and to a development model based on civil, political and economic liberties which form the basis for any real democracy.

In the National Action Plans submitted by each of the five countries in November of 2002, every government expressed a desire to receive assistance in the design and implementation of a CSOP under the trade capacity building (TCB) assistance programs presented. In response to these requests, the United States Agency for International Development (USAID) utilized its Latin America and Caribbean Rapid Response Contracting Mechanism to quickly develop and launch a CSOP support initiative for all five countries. Within three months of receiving the TCB assistance requests for the development and implementation of a Civil Society Outreach Program, USAID Washington, in coordination with its Central American Regional Program and the individual USAID country missions, was able to launch a team of consultants to begin offering support to all five countries.

Support for the five countries ranged from providing technical assistance in the design of a national Civil Society Outreach Program to specific financial support in the implementation of the specific components of the program. Working closely with the government ministry in charge of the negotiations in each country, the consulting team assisted in the development and/or implementation of a unique CSOP strategy for every country. While the level of involvement in each country varied, all five countries utilized the assistance provided to it under this initiative, and in some cases, will continue to do so through the ratification stage of this important trade agreement.

Civil Society Outreach Inventory of Central America
January – March 2004

In addition to the specific civil society outreach technical assistance programs implemented by CARANA in each country, USAID/LAC asked CARANA Corporation to provide a comprehensive Civil Society Outreach Inventory articulating the degree to which the Central American governments created a participatory process for the DR-CAFTA negotiations.

Counterparts

CARANA worked very closely with each of the Central American and Dominican Republic Ministries responsible for the DR-CAFTA negotiations, along with the major civil society stakeholders (business associations, NGOs, etc.) in each country:

Country	Primary Counterparts (* denotes negotiating Ministry)	
Costa Rica	COMEX*	
Dominican Republic	Secretarías de Estado de Industria y Comercio (SIEC)* Secretaría de Estado de Relaciones Exteriores (SEREX) Comisión Nacional de Negociaciones Comerciales (CNNC) Centro de Exportaciones e Inversiones (CEI) Secretarías de Estado de Agricultura, de Finanzas, de Medio Ambiente, de Trabajo y Turismo Secretariado Técnico de la Presidencia Banco Central de la República Dominicana Consultoría Jurídica del poder Ejecutivo Dirección General de Aduanas Oficina de Promoción de la Inversión Extranjera	Oficina Nacional para los Fondos Europeos de Desarrollo Asociación Dominicana de Exportadores Cámara de Comercio y Producción Junta Agroempresarial Dominicana Consejo Nacional de la Empresa Privada (CONEP) Asociación de Industrias de la República Dominicana (AIRD) Asociación Nacional de Jóvenes Empresarios (ANJE) Fundación Institucionalidad y Justicia (FINJUS) Centro Nacional de Estudios Económicos de las Antillas (CENANTILLAS) Centro de Investigación Económica para el Caribe (CIECA) Unidad de Inteligencia Hispaniola - Consorcio GTZ USAID/Dominican Republic
El Salvador	Universidad de El Salvador Universidad de Sonsonate Cámara de Comercio, (Santa Ana) Banco Central de Reserva Comisiones de Trabajo, Economía y Relaciones Exteriores	Ministerio de Agricultura y Ganadería Ministerio de Trabajo Ministerio de Medio Ambiente Ministerio de Economía* USAID/El Salvador
Guatemala	AGEXPRONT Ministerio de Economía (MINECO)* INTECAP	CICG (Cámara de Industria Ciudad de Guatemala) USAID/Guatemala
Honduras	SIC (Secretaría de Industria y Comercio)* BCIE Consejo Competitividad FIDE	COAGROH Cámara de Comercio – SPS COHEP AMCHAM USAID/Honduras
Nicaragua	UCA MIFIC* AMCHAM APENN UNAG UNICAFE Gabinete de Producción y Competitividad Chamber of Industry Chamber of Construction Doctors Without Borders Permanent Workers' Congress (Congreso Permanente de los Trabajadores)	CACONIC COSEP PRONICARAGUA ANITEX INCAE CENTRO HUMBOLDT UNICIT UCC UAM UCATSE Corporación de Zonas Francas

Civil Society Outreach Inventory of Central America
January – March 2004

Timeframe

CARANA assistance in Civil Society Outreach programs throughout Central America ran in parallel to the negotiation process in 2003, and the ratification process in 2004 and 2005. This Civil Society Outreach Inventory was compiled between January and March of 2004.

Activities

CARANA Corporation worked extensively with each of the counterpart institutions above, as well as CARANA Consultants in the field to assemble and document the Civil Society Outreach Inventory for USAID.

CARANA's extensive technical assistance and support for each of the participating countries' Civil Society Outreach Programs is documented in the respective project profiles for each country.

Results

The results of the Civil Society Outreach Programs implemented throughout Central America were extraordinary. Over 1350 seminars and forums were held throughout the region with over 10,000 direct participants. Strong media coverage of these and other events provided an extraordinary multiplier effect and provided continuous coverage of CAFTA related topics and issues on a daily basis in each country.

Central American countries also demonstrated a willingness to try innovative new approaches in implementing their respective CSOP programs. For example, the Government of El Salvador carried out the first-ever public forum held on trade issues in Central America in April of 2003. This public forum was considered a critical success and will form a part of the Government's civil society outreach initiatives for future negotiations as well.

All five Central American republics carried out their Civil Society Outreach Programs (CSOPs) within the following comprehensive framework:

1. Direct consultation, meetings and discussions with individual businesses:
More than 1000 leading businesses were actively consulted across Central America in preparation for and throughout the CAFTA negotiation process to better understand their concerns and educate civil society on the nature of the negotiation process.
2. Direct consultation, meetings and discussions with Productive Sectors, NGOs and Industry Associations:
The FTA negotiating teams for each of the 5 Central American Republics placed great emphasis on soliciting the involvement of civil society throughout the negotiation process. Forums for the exchange of ideas, positions and concerns relating to the CAFTA agreement included over 750 meetings, conferences and workshops across the region. These forums enabled critical debate on a broad range of topics, including labor, environment, agriculture, financial services, telecommunications, intellectual property rights, rules of origin, lessons from NAFTA, SME concerns, and many industry-specific exchanges that informed the market access negotiations.
3. Direct consultation, meetings and discussions with the intellectual and academic community:
Over 110 meetings and conferences were held across Central America with key academic and intellectual institutions, providing an opportunity for negotiators and civil society to interact and discuss key issues with academic institutions in economics, business, civil

engineering, labor rights, environmental sciences, theologians, armed forces, and agriculture.

4. Informative sessions with members of the Legislative Assembly and other government actors:

As in the United States, the Central American legislative assemblies must provide the final approval of CAFTA. Subsequently, each country's negotiating teams regularly and frequently informed their legislative assemblies on both the progress and potential benefits of CAFTA following each round of the negotiations. It is anticipated that a great deal of focus will continue throughout 2004 to foster an active and informative dialogue with members of the Central American legislative assemblies and to ensure continued support for CAFTA.

5. Public diffusion of information through multiple media channels:

Each of the Central American Republics bolstered their civil society outreach efforts through a multiple media-channel approach. Efforts to diffuse information to shape and inform public opinion include:

- Creation of CAFTA websites by the Ministry in charge of negotiations.
- Development of support materials to be distributed (FAQs, information on the negotiation process, etc.) to inquiring groups and individuals.
- Numerous conferences and seminars targeted to print and television journalists.
- Simultaneous transmission (via radio and television) for several high-profile events.

6. Civil society participation during the negotiation rounds:

In addition, each of the countries actively consulted with representatives of civil society groups (NGO's, private sector groups, and government participants) for more instantaneous feedback during each of the nine negotiating rounds.

The scope and nature of the civil society outreach activities mentioned above is unprecedented in Central America; this reflects both an increased reliance on transparency in the democratic process and the fundamental belief in the economic, social and political benefits of CAFTA to the region. More importantly, as illustrated in the case on Costa Rica below, these outreach programs have resulted in a much greater understanding of the CAFTA agreement by civil society groups throughout the region, which in turn appears to have had a direct impact on the levels of support for CAFTA.

In a series of four public opinion polls conducted in Costa Rica, the success of the government's civil society outreach program was clearly documented. In the initial survey conducted in December of 2002, 43% of the population had not heard of or knew about CAFTA or what it was. In the final survey conducted in February of 2004, this percentage dropped to only 12% of the population. More importantly, of the 88% that indicated that they did know what CAFTA was, the ratio of those in favor vs. those against signing the CAFTA agreement was 7 to 2 – a significant increase over the initial approval levels reported in the survey conducted a year earlier. The results of the Costa Rican surveys are mirrored throughout the region where there are other indications that the approval levels for the CAFTA agreement increased throughout the year as the negotiations proceeded and civil society outreach efforts matured.

Relevant Documents

[E.14.14.1-1 CAFTA Civil Society Outreach Inventory Final Report.pdf](#)

[E.14.14.1-2 CAFTA Civil Society Outreach Inventory Annex.pdf](#)

14. USAID/LAC**14.2. CAFTA Labor Activity Review for USAID/LAC****Overview**

In January 2005, USAID/LAC requested CARANA's assistance in conducting a rapid evaluation of the issues and/or difficulties that the Central American countries will face in the implementation of the labor chapter of DR-CAFTA. As the Ministers and Vice-Ministers of Labor of the DR-CAFTA countries were preparing a white paper to further articulate their anticipated technical assistance needs in implementing the treaty, USAID/LAC requested this assistance to begin thinking on the types of projects that USAID could carry out to support the implementation of the labor chapter in Central America.

CARANA consultant and labor expert Lawrence Doherty was engaged to perform this rapid evaluation based on existing secondary information sources and his knowledge of Central America, the FTA text and the implementing institutions.

Counterparts

The only counterpart for this activity was the USAID/LAC Bureau in Washington.

Timeframe

This rapid assessment was conducted between January and February 2005.

Activities

CARANA Consultant Lawrence Doherty, an internationally recognized expert on labor issues, was asked to provide a 'white paper' for the USAID/LAC Bureau that:

- a. Reviewed the labor chapter and discussed the issues / problems that the Central American countries will face in the implementation of the labor chapter.
- b. Identified and discussed possible projects that USAID could carry out to support the implementation of the labor chapter in Central America.

Results

As requested by USAID/LAC, CARANA provided the bureau with a timely evaluation of the primary considerations of the labor provisions of DR-CAFTA. This report included both an assessment of the specific labor provisions of DR-CAFTA, and a series of recommended support opportunities that could be considered by USAID as potential technical assistance areas in response to stated Central American needs in implementing these labor provisions.

Relevant Documents

[E.14.14.2-1 CAFTA Labor Assessment SOW.pdf](#)

[E.14.14.2-2 CAFTA Labor Assessment Final Report.pdf](#)

14. USAID/LAC

14.3. Rapid Assessment of Potential Barriers to Cross-Border Financing in Central America

Overview

With negotiations recently completed for a Central American Free Trade Agreement (CAFTA) and with the U.S. entering negotiations for a free trade agreement with Panama, there has been increased interest by the private sector to invest in the region. Of note are companies that already operate in particular countries in the region but want to expand to others. This includes financial institutions as well as manufacturing companies. What is different now, as compared to the past, is that these companies have substantial ongoing operations that they would like to use to collateralize new operations in another country. In attempting to carry out such operations, many companies have run into a series of constraints that risk hindering cross-border investment and ultimately limit economic growth and job creation from these potentially large operations.

In January 2004, USAID participated in a series of meetings in Guatemala, El Salvador, Honduras, Nicaragua and Panama during which it was determined that regional financial integration, including the inability to easily carry out cross-border financial transactions, was a key constraint to business development in the region. This included the need to harmonize financial regulations in such sectors as banking, insurance, and the issuance of stocks and bonds. Entities such as the Central American Bank for Economic Integration (CABEI) have programs in place to assist bank supervisors to develop a set of common regulations for the region, establish common accounting standards, etc., however, these are long-term programs that take time and USAID was interested in identifying what, if any, short term solutions might exist.

Because removing constraints so that such projects can go forward has such potential for significant job creation and economic growth in the region, the Office of the AA/LAC, the Mission Directors from Honduras and Nicaragua, and G-CAP have all taken an active interest in resolving this dilemma. USAID/LAC specifically asked CARANA to develop a rapid evaluation of the real and perceived constraints to cross-border financing in Central America to further inform the dialogue between USAID and CABEI and identify a series of programs that may help to reduce potential business constraints.

Counterparts

The primary counterparts for this activity were USAID/LAC and the Central American Bank for Economic Integration (CABEI). The following institutions were involved in the primary research efforts:

Asociación. Bancaria Salvadoreña	Asociación. Hondureña de Instituciones Bancarias	Asociación Bancaria de Guatemala
Asociación de Bancos Privados	BAC	BAMER
BANCENTRO	Banco Agrícola	Banco Central de Honduras
Banco Cuscatlán	Banco Cuscatlán CR	Banco Cuscatlán Panabank
Banco de Boston Panamá	Banco de Finanzas	Banco Futuro/Lafise
Banco Improsa	Banco Industrial	Banco Uno
Banex	Banistmo	Banpro
BICSA Guatemala	Bladex	Bufete Lex Counsel
Comisión Nacional de Bancos	Global Bank	HSBC Panamá

Rapid Assessment of Potential Barriers to Cross-Border Financing in Central America

June - July 2004

Improsa Capital	INCONHSA	Lafise Bank
Lafise El Salvador	Lafise Guatemala	SUGEf
Superintendencia de Bancos	Superintendencia del Sist Fin	

Timeframe

This rapid evaluation was conducted in June and July 2004.

Activities

CARANA reviewed the initial discussions and considerations raised and developed a scope of work for a rapid evaluation of the real or perceived constraints to cross-border financing in the region. CARANA consultant Rodrigo Zapata, an experience banker and investment promotion professional in the region, used the following framework to conduct the rapid evaluation:

- Identified and obtained the principle laws and norms relevant in each country.
- Conducted a comparative analysis of cross-border laws and regulations in the region.
- Defined a series of potential cross-border financing scenarios.
- Created a telephone interview guide.
- Conducted a series of 38 interviews with key stakeholders and actors throughout the region.
- Provided USAID with a summary of each interview.
- Developed a series of general conclusions designed to inform USAID and CAbEI on the current rules of the game in each country and across the region.

Results

CARANA Consultant Rodrigo Zapata effectively addressed the original questions raised by USAID and CAbEI in their exploratory meetings on the subject. Through 38 interviews with key stakeholders and financial actors in Central America and Panama, Mr. Zapata uncovered the current practices associated with cross-border financing and potential impediments to these investment activities. CARANA delivered a final study that provided a comparative analysis of each country's laws and regulations concerning cross-border financing, and presented the following principle conclusions:

1. In general, it is possible for businesses in the region to obtain financing for business activities in other countries in Central America and Panama, with varying degrees of ease or difficulty depending on the country of origin and counterpart country, the size and visibility of the enterprise.
2. The rules of the game of each of the six countries differ significantly, from Panama on one extreme that functions as a financial center whose legislation and regulations are the most sophisticated in the region, to countries such as Honduras and Nicaragua, who prevent cross border financing either by law or by decree under the bank superintendencies. In the middle is El Salvador, where cross border financing is permitted with significant restrictions, and Costa Rica and Guatemala having the most liberal stance, not necessarily indicative of their respective legislation which requires significant assurances for financing of long term operations.
3. In general, there is high liquidity in the financial systems of the region and the allocation of cross-border loans is one exit valve of which banks are taking advantage to the extent permissible under the law.
4. A significant number of banks in the region have adopted a "regional" strategy. These banks offer a platform of services and technology that permits serving their clients in

- practically any country of the region. Some of them also have “offshore” banks that complete the offer package. There are 10 banks with different degrees of regional coverage:
- a. Completely regional: Cuscatlán, Uno, BAC, Promérica, Lafise
 - b. Limited regional coverage: Istmo, Agrícola, Improsa, Pro-Credit, BICSA
5. In general, the larger and more known enterprises have more or less guaranteed access to cross-border credit with both local and regional banks. Furthermore, these individuals and companies have access to nonregional banks that are entering the region, such as Miami and Panama-based banks with international licenses that provide loans at very competitive fees.
 6. The small and medium-sized enterprises have much more difficulty in obtaining cross-border financing and would be the greatest beneficiaries of a program of credit guarantees or CABEI loans for cross-border initiatives.
 7. Despite the above, the perception is that the mixing bowl of diverse legislation and regulations found in the region, different in each country, is an element that adds “stress,” in terms of bureaucracy, cost, uncertainty and duplication of guarantees and transactions.
 8. Many banks simply do not enter other countries because it is so complicated to know and understand the risks and requirements of each country.
 9. The general opinion of the bankers and supervisors of the different countries is that the long-term solution is the establishment of clear rules, standard and simple, that function in a similar way across the region. This could be a task that takes some time, but in general the thinking is that this effort must be undertaken sooner rather than later.
 10. In the short term, while tackling the above, it would be well-received if CABEI were able to make available a line of guarantees for enterprises seeking cross-border financing, as the World Bank did in Europe through MIGA in the 1980s. Another consideration is a line of credit available to support cross-border initiatives that attract investment and regional expansion.
 11. Another idea that came out of the interviews would be to create a training and awareness program for supervisors, bankers, entrepreneurs, government employees, politicians, etc. on intra-regional financing, with the goal of eliminating attitudinal barriers and disconfidence in the current system.

Relevant Documents

[E.14.14.3-1 CAFTA X Border Finance SOW.pdf](#)

[E.14.14.3-2 CAFTA X Border Finance Final Report.pdf](#)

14. USAID/LAC

14.4. Caribbean Port Security Readiness Audit ~ Eastern Caribbean States

Overview

The terrorist events of 9/11 resulted in the promulgation of international standards for the security of seaports and vessels engaged in international commerce. These standards seek to mitigate the risk of terrorist and criminal threats to the physical, commercial, and political well being of these 'engines of commerce.' In December 2002, the International Maritime Organization (IMO) established the International Ship and Port Facility Security (ISPS) code, defining standards for security of maritime facilities and ships, and mandating certification of compliance by 1 July 2004. The US version of the ISPS Code is the Maritime Transportation Security Act of 2002 (MTSA).

Failure of ports, vessels, and companies engaged in international maritime commerce to achieve the specified compliance standards will result in sanctions that include fines, delay of vessel entry into ports of call, or even denial of vessel entry into ports of call. As a result, enforcement of ISPS Code requirements could have an adverse effect on the intended results of FTAA and CAFTA agreements, and produce a negative cascade effect on the economies of Caribbean Basin nations with non-compliant ports.

In February 2004, USAID requested that CARANA review and support a proposal by Caribbean Central American Action (CCAA) to provide technical assistance on port security to the port authorities of the Organization of Eastern Caribbean States (OECS). Specifically, CARANA provided matching funds to CCAA to contract Florida-based SeaSecure LLC to perform security assessments of the OECS Ports.

Counterparts

Under this project, key counterparts included Caribbean Central American Action (CCAA), Sea Secure LLC, USAID/Washington and the following ports who received technical assistance:

Country	Port
Barbados	Port of Bridgetown
Antigua	St. John's Port
Barbuda	Codrington Port
Dominica	Prince Rupert Bay/Portsmouth
	Roseau Port
	Woodbridge Bay Port
Grenada	Port St. Georges
	Grenada Cruise Port (under construction)
Montserrat	Plymouth Port
St. Kitts	Port of Basseterre
Saint Lucia	Port of Castries
	Port of Vieux Fort
St. Vincent	Campden Park Container Port
	Kingstown Port & Cruise Terminal

Timeframe

This project was conducted from May to July, 2004.

Activities

The Caribbean Port Security Readiness Audit included the following activities:

1. Preliminary telephonic and e-mail liaison with port authority, pertinent law enforcement, and regulatory agencies.
2. Preliminary questionnaire regarding ISPS Code compliance steps to be completed by each port.
3. Onsite visit by SeaSecure senior maritime security auditing staff to perform:
 - a. Physical security familiarization survey of the port.
 - b. Review of the port's ISPS Code mandated Port Facility Security Assessment (PFSA) and Port Facility Security Plan (PFSP) to determine qualitative sufficiency and preparedness to meet the ISPS Code implementation deadline of July 1, 2004.
 - c. Review of the port's proposed personnel and information security programs in terms of future ISPS Code and MTSA compliance.
 - d. Review of the port's projected risk mitigation compliance plan to determine adequacy and costs of:
 - i. Required physical security infrastructure enhancements (e.g., fencing, lighting, access controls, CCTV).
 - ii. Required personnel security enhancements (e.g., guard force personnel, Port Facility Security Officer, training and certification of applicable personnel, drills and exercises).
 - iii. Required information security enhancements (e.g., policies and procedures for protecting sensitive information, availability of shredders, safes, encrypted communications, training).
4. Analysis of findings to determine:
 - a. Those ports in need of near-term assistance to complete PFSAs, PFSPs and training requirements in order to meet the compliance and certification requirements of the ISPS Code.
 - b. What assistance is required to prepare OECS Contracting Governments to evaluate PFSAs and PFSPs so as to issue Statements of Compliance in advance of the deadline, or Interim Statements of Compliance for ports that cannot fully implement their risk mitigation compliance plan by 1 July, to the IMO.
 - c. Approximate costs on a port-by-port basis, and for the region, for security enhancements necessary to fully achieve ISPS Code, and MTSA where applicable, compliance (including capital and recurring costs).
 - d. Issue a report of preliminary findings to the CBMSA Executive Committee.
5. Following receipt of feedback from the CBMSA Executive Committee, prepared a final report that included:
 - a. Executive Summary
 - b. Survey Findings
 - c. Recommendations
 - i. Specific port compliance recommendations (by category per 3.d. above).
 - ii. Recommendations for developing a regional approach to training and certifications for port security and Contracting Government maritime security personnel, per the ISPS Code.

- iii. Recommendations for OECS Contracting Governments with regard to developing a standardized regional approach to PFSA and PFSP approvals.
- iv. Recommendations on developing a purchasing consortium so as to leverage economies of scale in making capital improvements.
- v. Recommendations on establishing a regional approach to drills and exercises, per the ISPS Code.
- d. Capital Requirements Estimate (by port and by region).
- e. References Section (ISPS Code, the MTSA, and associated NVICs, etc.).

Results

The CARANA-CCAA-SeaSecure team successfully completed the port security assessments on time and in advance of the July 1, 2004 deadline for compliance. The final deliverables to each OECS port authority are of a classified nature, and therefore port specific results are not available. CARANA received copies of an affidavit from each port authority acknowledging receipt and general description (# pages, table of contents, etc) of the final reports.

Relevant Documents

[E.14.14.4-1 OECS Port Security Assessment SOW.pdf](#)

[E.14.14.4-2 OECS Port Security Assessment Contract.pdf](#)

Implementation of a Civil Society Outreach Program with the Government of Panama and the Panamanian Private Sector
May 2004 – February 2005

15. Panama

15.1. Implementation of a Civil Society Outreach Program with the Government of Panama and the Panamanian Private Sector

Overview

In April 2004, CARANA Project Manager Carlos Torres traveled with Kermit Moh (USAID/LAC) to Panama to review a request from the Government of Panama for assistance with their Civil Society Outreach efforts leading up to, and concurrent with, the Panama-US FTA negotiations.

The CARANA program launched in May 2004, assisting the Vice-Ministry of Foreign Trade (VICOMEX) in developing a strategy for a Civil Society Outreach Program to provide outreach to and facilitate dialogue, consultation, input and participation of civil society groups in Panama within the context of the trade agreement negotiations with the United States. CARANA has stressed the need to provide civil society groups with a continuous flow of objective and timely information on the free trade negotiations with the United States and to develop and promote a process that stimulates the active participation of civil society groups in the country and provides accessible feedback mechanisms for government negotiators on the concerns and opinions of these groups.

Counterparts

CARANA's primary counterparts for this activity were VICOMEX, MICI and USAID/Panama. Additional private sector institutions involved in the CARANA activity included:

Panamanian Public and Private Stakeholders in Active Collaboration with CARANA	
Panamanian Associations	Public Agencies involved in Trade Policy and Competitiveness
American Chamber of Commerce (AMCHAM)	Ministry of Industry and Commerce (MICI)
Asociación Panameña de Ejecutivos de Empresas (APEDE)	VICOMEX - The National Directorate of International Trade Negotiations (DINECI)
Asociación Panameña de Exportadores (APEX)	VICOMEX - The National Directorate for the Promotion of Production and Investment
Asociación de Usuarios Zona Libre de Colón	VICOMEX - The National Directorate of Foreign Trade Services
Autoridad de la Micro y Pequeña y Mediana Empresa (AMPYME)	Ministry of Economic Affairs and Finance (MEF)
Cámara de Comercio, Industrias y Agricultura de Panamá	Ministry of Foreign Affairs (MIRE)
Cámara de Comercio e Industria Panameña Alemana	Ministry of Agricultural Development (MIDA)
Cámara Marítima de Panama	Ministry of Labor and Social Development (MITRAB)
Colegio Nacional de Economistas	Panamanian Tourism Institute (IPAT)
FORO 20/20	Commission for Free Competition and Consumer Affairs (CLICAC)
Fundación del Trabajo	Panama Maritime Authority (AMP)
Fundación para el Desarrollo Sostenible Micro y Pequeña Empresa (FUNDES)	National Environmental Authority (ANAM)
Sindicato de Industriales de Panamá (SIP)	Colon Free Zone (ZLC)
Sindicato de Periodista de Panamá	
Unión Nacional de Pequeñas Empresas	

Timeframe

This activity was implemented between May 2004 and February 2005.

**Implementation of a Civil Society Outreach Program with the Government of Panama and
the Panamanian Private Sector**
May 2004 – February 2005

Activities

Through this technical assistance program, CARANA assisted the government in the implementation of the CSOP by organizing several events with civil society groups on a wide variety of topics as discussed below:

- Training session / orientation with media representatives on Free Trade Agreements. Marta Lucia Ramirez de Rincon presented this program in May of 2004.
- Ricardo Martell, from the Ministry of Economy in El Salvador, presented a series of conferences on Free Trade Agreements in June of 2004. These conferences were provided for private sector organizations and universities.
- Two conferences on the background and recent developments regarding free trade agreements in the region. These conferences were hosted by AMCHAM and the National Union of Small and Medium Industries in Panama and were presented by Dr. David Lewis in July of 2004.
- The Panamanian Association of Business Executives hosted a series of conferences on Free Trade Agreements and the agricultural sector. Dr. Ricardo Monge gave the keynote address at these conferences in the cities of Chitré and David in July of 2004.
- Mr. Raúl Ortega, a Mexican national, presented a conference on Mexico's experience with NAFTA, focusing on the role of the private sector during the negotiations and implementation of the NAFTA agreement. The Chamber of Commerce in Panama hosted this conference in August of 2004.
- Conference hosted by VICOMEX with the participation of Mr. Francisco Chacón on Free Trade Agreements, and Costa Rica's experiences during the CAFTA negotiations – October of 2004.
- Conference on the impact of free trade agreements on small businesses and the Chilean experience. Enrique Román presented this conference in November of 2004.
- Additional conferences planned in January and February 2005, included topics ranging from maritime trade and the implications of the Panama FTA, to "rules of trade" provisions and lessons learned from CAFTA.

Results

In 2004 and early 2005, CARANA conducted a series of ten very successful, high-profile events on the FTA and Free Trade related issues in Panama City, Chitré, and David. These conferences reached a direct audience of over 2000 key opinion-makers from Panama's public and private sector, business sector leaders and active members of each of the primary business associations. Through live radio broadcasts, television interviews, and extensive press coverage for each of these events, the messages and dialogue reached hundreds of thousands of interested listeners in each of these cities. The debates and discussions in these events helped to build public awareness for the opportunities and challenges for the private sector as Panama considers the opportunities and challenges to more liberalized trade with the United States.

Relevant Documents

- [E.15.15.1-1 Panama CSOP trip report 04-2004.pdf](#)
- [E.15.15.1-2 Panama CSOP Summary.pdf](#)
- [E.15.15.1-3 Panama Ramirez Presentation.pdf](#)
- [E.15.15.1-4 Panama Martell Presentation.pdf](#)
- [E.15.15.1-5 Panama Monge Presentation.pdf](#)
- [E.15.15.1-6 Panama Ortega Presentation.pdf](#)
- [E.15.15.1-7 Panama Chacon Presentation.pdf](#)

**Implementation of a Civil Society Outreach Program with the Government of Panama and
the Panamanian Private Sector**
May 2004 – February 2005

[E.15.15.1-8 Panama Lachman Presentation.pdf](#)
[E.15.15.1-9 Panama Roman Presentation.pdf](#)

Assistance to the Government of Panama with the Development of a Revised National Action Plan for Trade Capacity Building

September 2004 – February 2005

15. Panama

15.2. Assistance to the Government of Panama with the Development of a Revised National Action Plan for Trade Capacity Building

In September of 2004, the government of Panama, through VICOMEX, requested USAID assistance in the development of a revised National Action Plan for Trade Capacity Building, reflective of the priorities of the new government that took office in August of 2004. CARANA Corporation was able to assist USAID by responding quickly to this request by hiring three local economists to prepare this new document within the thirty-day period requested, and a draft was submitted to VICOMEX for their final review in November of 2004.

Subsequent revisions and the initially limited engagement by Panamanian public sector stakeholders led to additional delays in this project. CARANA consequently hired an additional Consultant in January and February 2005, to provide supplementary support and ensure that the TCB Strategy Document was completed to the government's satisfaction.

Counterparts

CARANA's primary counterparts for this activity were VICOMEX, MICI and USAID/Panama. Additional private sector institutions involved in the CARANA activity included:

Panamanian Public and Private Stakeholders in Active Collaboration with CARANA	
Panamanian Associations	Public Agencies involved in Trade Policy and Competitiveness
American Chamber of Commerce (AMCHAM)	Ministry of Industry and Commerce (MICI)
Asociación Panameña de Ejecutivos de Empresas (APEDE)	VICOMEX - The National Directorate of International Trade Negotiations (DINECI)
Asociación Panameña de Exportadores (APEX)	VICOMEX - The National Directorate for the Promotion of Production and Investment
Asociación de Usuarios Zona Libre de Colón	VICOMEX - The National Directorate of Foreign Trade Services
Autoridad de la Micro y Pequeña y Mediana Empresa (AMPYME)	Ministry of Economic Affairs and Finance (MEF)
Cámara de Comercio, Industrias y Agricultura de Panamá	Ministry of Foreign Affairs (MIRE)
Cámara de Comercio e Industria Panameña Alemana	Ministry of Agricultural Development (MIDA)
Cámara Marítima de Panamá	Ministry of Labor and Social Development (MITRAB)
Colegio Nacional de Economistas	Panamanian Tourism Institute (IPAT)
FORO 20/20	Commission for Free Competition and Consumer Affairs (CLICAC)
Fundación del Trabajo	Panama Maritime Authority (AMP)
Fundación para el Desarrollo Sostenible Micro y Pequeña Empresa (FUNDES)	National Environmental Authority (ANAM)
Sindicato de Industriales de Panamá (SIP)	Colon Free Zone (ZLC)
Sindicato de Periodista de Panamá	
Unión Nacional de Pequeñas Empresas	

Timeframe

This activity was conducted between September 2004 and February 2005.

Activities

In September 2004, Carlos Torres visited Panama at the request of USAID Panama to address two requests coming from the Government of Panama (VICOMEX). The first was to help them

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quickly finish their TCB Strategy Document for an upcoming donor meeting in November. CARANA hired three consultants for this work, however, due to coordination issues within the Government, the production of the final TCB Strategy Document took much longer than was originally anticipated, stretching into March of 2005 (see below).

The initiative to assist the Government in preparing the country's TCB strategy began in November of 2004 and was finalized in the beginning of March of 2005. The process was much more difficult than anticipated given the lack of information which could be used by our consultants and required a greater level of effort than initially planned do to the need to carry out our own research and coordinate with the various ministries and other government agencies involved in the process.

Civil Society Outreach Activities: Support in implementing additional CSOP activities also continued through February of 2005 with additional conferences on competitiveness (February 2005), on the impact of free trade on SMEs (November 2004), the role of the private sector during the negotiation of a free trade agreement (October 2004), and a case study on NAFTA and the private – public sector coordination during the negotiation of this agreement ten years ago.

Results

With the approval of the Government of Panama and under the supervision of VICOMEX, CARANA successfully led the CARANA/Government of Panama working group in its rapid completion of a comprehensive National Trade Capacity Building Strategy. The CARANA team identified 71 project profiles for TCB-related technical assistance, working with 17 key public and private sector institutions.

The final document presents the most relevant aspects that must be considered by the country's authorities in the formulation of the TCB Strategy and has thus been divided into four separate sections.

- Section 1, the Introduction, describes the background of the FTA negotiations and the goals pursued in each of the FTA issues in terms of their specific development. This section highlights the institutional aspects required to guarantee compliance with the commitments undertaken and how to better take advantage of those commitments.
- Section 2 presents an analysis of Panama's economic situation from the macroeconomic, mesoeconomic and microeconomic perspective.
- Section 3 presents the different aspects to be taken into account in the formulation of Panama's strategy to build its trade capacity in light of the FTA.
- The document concludes with Section 4, which presents some of the aspects to consider in developing Plans of Action in the context of the TCB Strategy.
- The document also includes an Annex consisting of Table 1, which presents the most relevant aspects of the Republic of Panama's institutional framework.
- The National TCB Strategy identified over 71 projects, according to the list of public and private institutions below:

Public Sector Institution	# of Projects Identified
Autoridad Nacional Del Ambiente (ANAM)	16
Autoridad De La Micro, Pequeña Y Mediana Empresa (AMPYME)	2
Comisión De Libre Competencia Y Asuntos Del Consumidor (CLICAC)	5
Ministerio De Economía Y Finanzas (MEF)-Dirección General De	1

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Aduanas	
Instituto De Investigaciones Agropecuarias De Panamá (IDIAP)	1
Instituto De Mercadeo Agropecuario (IMA)	3
Instituto Nacional De Formacion Profesional (INAFORP)	5
Ministerio De Comercio E Industrias (MICI)	7
Ministerio De Desarrollo Agropecuario (MIDA)	7
Ministerio De Educación (MEDUC)	1
Policía Técnica Judicial (PTJ)	1
Secretaría Nacional De Ciencia, Tecnología E Innovación (SENACYT)	15
Asociacion Panameña De Ejecutivos De Empresas (APEDE)	1
Cámara De Comercio, Industrias Y Agricultura De Panamá (CCIAP)	3
Fundación Para El Desarrollo Sostenible (FUNDES PANAMA)	1
Sindicato De Industriales De Panamá (SIP)	2
Union Nacional De Pequeñas Y Medianas Empresas (UNPYME)	1

Relevant Documents

- [E.15.15.2-1 Panama TCB Strategy Cover and TOC English.pdf](#)
- [E.15.15.2-2 Panama TCB Strategy Cover and TOC Spanish.pdf](#)
- [E.15.15.2-3 Panama TCB Strategy Exec Summary English.pdf](#)
- [E.15.15.2-4 Panama TCB Strategy Exec Summary Spanish.pdf](#)
- [E.15.15.2-5 Panama TCB Strategy Main Body English.pdf](#)
- [E.15.15.2-6 Panama TCB Strategy Main Body Spanish.pdf](#)
- [E.15.15.2-7 Panama TCB Strategy Project Profiles Spanish.pdf](#)

An Assessment of the Potential Impact of the Haitian Economic Recovery and Opportunity Act (HERO)

February – May 2003

16. Haiti

16.1. An Assessment of the Potential Impact of the Haitian Economic Recovery and Opportunity Act (HERO)

Overview

This study was carried out in response to the introduction of legislation in the United States (Haitian Economic Recovery and Opportunity Act – HERO) to expand certain preferential trade treatment for Haiti. The legislation was designed to grant special preferences to the Haitian textile sector that is here referred to as such, or as the apparel sector, or the garment sector.

An issue of concern regarding the HERO legislation was whether or not there would be a significant adverse impact upon apparel manufacturers producing in the United States or US textile mills providing fabric. The study concluded that there should be no adverse impact on US apparel manufacturers since the type of apparel that could conceivably enter from Haiti under the new provisions of HERO have long-since left the United States for offshore operations. There is, as yet, no fabric or yarn manufacturing facility in Haiti and the authors of the study did not expect HERO to generate such production since Haiti lacks the factors of production required for such production—raw materials (cotton, cellulose, or hydrocarbon derivatives) low-cost energy and available water.

Counterparts

USAID Haiti and the Ministry of Commerce and Industry in Haiti.

Timeframe

February through May of 2003

Activities

A team of consultants carried out the studying Haiti over a two month period. The study itself focused on seven major areas in order to gather the information necessary before making a conclusion. These were:

- The current status of the Haitian textile sector
- The Haitian Textile Sector, Constraints and the Future
- Imminent Changes in Global Textile Trading Configurations
- Prospects for the HERO legislation and subsequent implementation
- Implementation of HERO
- Measures for Improvement of the Haitian Apparel Sector³⁶
- Policy Issues

Results

The study concluded that there should be no adverse impact on US apparel manufacturers since the type of apparel that could conceivably enter from Haiti under the new provisions of HERO have long-since left the United States for offshore operations. However, political turmoil in Haiti resulted in the fact that this legislation was never passed.

Relevant Documents

[E.16.16.1-1 Haiti HERO Report Final.pdf](#)